CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

THIRD SESSION—TWENTY-EIGHTH PARLIAMENT

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HOUSE OF COMMONS

Monday, January 11, 1971

The House met at 2 p.m.

PRIVILEGE

MR. BALDWIN—PACKAGING AND LABELLING BILL—METHOD OF CONSIDERATION BY STANDING COMMITTEE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I dislike starting the new school period with problems. However, in pursuit of my duty I must raise a question of privilege, notice of which I have given to Your Honour. I consider it to be an exceptionally serious issue, Mr. Speaker. It is one that would be very serious under any conditions, but at this stage of this Parliament, when opposition members have experienced through three sessions the rather arrogant attempts by this authoritarian government to cut the heart out of the parliamentary process, it is even more important that this question be raised.

Some hon. Members: Hear, hear!

Mr. Baldwin: The matter I raise has some implications for the Chair as the guardian of our rights and privileges and the protector of minority parties in the House, and to some extent it also affects the officers and staff of the standing committees.

On December 16, after debate, the House gave second reading to Bill C-180 dealing with packaging and labelling, a measure that can be of great importance to many people. To facilitate passage of the bill, members of the opposition—certainly all members of this party—agreed to a restricted debate so that the bill could be given second reading and referred to the committee. At that time the minister quite properly stated there would be ample opportunities when the committee sat for members of the public who may be interested to appear before that committee, although the minister made it quite plain that he was only speaking as a member of the House and that it was up to the committee to decide its own procedure. I should add that the order was in the usual form with no restrictions on the right of the committee to hear evidence. Under Standing Order 65(8) there is ample opportunity for members of the public to appear before the committee, and there were no restrictions in that regard.

• (2.10 p.m.)

Two days after the bill received second reading the House recessed until today and as far as I can tell from examining the records and through discussions with committee members there has been no meeting of the Standing Committee on Health, Welfare and Social Affairs to which the bill was referred. The bill has never been considered, nor has there been any decision as to the method of procedure. Yet on December 29 a letter was sent over the signature of the clerk of the committee to Mr. Ernie Steele of the Grocery Products Manufacturers of Canada, who had previously been in touch with the committee clerk about making representations on the bill. Mr. Steele received this letter the next day, and I must put part of it on the record. It refers to a previous letter from Mr. Steele which had been brought to the attention of the hon. member for York East (Mr. Otto), to whom I gave notice that I would be raising this question today. It stated:

> Your letter of November 16, 1970, has been brought to the attention of Mr. Steve Otto, Chairman of the Committee, who has requested me to advise you as follows:
>
> When the committee is considering a subjectmatter, outside witnesses will be invited to appear in order to present briefs and answer questions.
>
> During its consideration of bills, the committee will hear only the minister and departmental officials; furthermore, briefs can be submitted but not presented orally at sittings of the committee. Therefore, if you wish to submit a brief on Bill C-180, for distribution to the members of the committee (an up-to-date list is attached), please send me, at your earliest convenience, 25 copies in English and, if possible, 10 copies in French.
>
> The Chairman suggests that you might wish to contact individual Members of Parliament who could support your views, through members of committee who could be the spokesmen for your group; when the committee is considering the bill, Members of Parliament would be welcome to attend and be available to the members of the committee for the purpose of information, argument, etc., when the minister and departmental officials are being examined.
>
> The Chairman feels it would be just as effective to have your case presented as per the procedure outlined above as it would be if it were presented directly.

In passing, I must say I am amazed at the attitude of the hon. member for York East who two years ago circularized a statement to all his constituents in which he said that in his view the committee procedure of the House was not working successfully because the government was insisting that all committee members must do what they were told. He was not a chairman, then.

I suspect that this outrageous attempt to circumscribe the operations of a committee of the House involves more than just the opinion of the chairman. The wording used, the detail in the letter and the way in which proposed rules are laid down, together with previous statements I have heard, indicate that the government is laying its heavy hand on the committees and has issued instructions to chairmen, committee officials and possibly to its own members to act in this way. I suggest that more than just the internal operations of the committee are involved when a letter of this kind is sent over the signature of the clerk of the committee, apparently on the instructions of the chairman.

Incidentally, I hold no brief for the particular organization I have mentioned. I am sure that these people, together with representatives of consumer groups and others, wish to appear and speak for themselves. Instead, apparently they are to be allowed only to present briefs and to involve members of this House as lobbyists representing special interests. This is a grave situation and I maintain it cannot be permitted to pass without question.

Some hon. Members: Hear, hear!

Mr. Baldwin: I could say a great deal more, but I submit a prima facie case of privilege has been made out. Therefore, Mr. Speaker, with regard to this letter and the questions involved I move, seconded by the hon. member for Saint John-Lancaster (Mr. Bell):

That the Standing Committee on Privileges and Elections be directed to examine the whole question of this letter dated December 29th and sent by the Clerk of the Standing Committee on Health, Welfare and Social Affairs to Mr. C. G. E. Steele, and all of the surrounding and relevant circumstances, including any specific instructions the Clerk might have received and what general instructions have been issued to the Committees Branch.

Mr. Speaker: The hon. member knows that he cannot make such a motion unless the Chair has decided that there is a prima facie case of privilege.

Mr. Baldwin: I understand that, Mr. Speaker.

Mr. Speaker: The Chair is not prepared to receive the motion at this time. The Chair will allow the hon. member for York East to say a few words in reply since his conduct as chairman of the committee has been particularly impugned. Thereafter the Chair will take the matter under advisement.

Mr. Steven Otto (York East): Mr. Speaker, this is a nice way to start the second part of the session. May I point out to the hon. member for Peace River (Mr. Baldwin) that this is not a question of privilege. The committee is master of its own proceedings; I believe Your Honour has held that to be so many times. It was the steering committee of the Standing Committee on Health, Welfare and Social Affairs that decided some two years ago that when a bill is considered only departmental officials and the minister are to be heard and that when a subject matter is considered witnesses will be invited. A representative of the hon. gentleman sat on the steering committee and so did others. This decision was approved unanimously by the committee, and these are the rules that are being followed today.

Unlike the hon. member, Mr. Speaker, may I advise you that the minister did not have anything to do with this. Indeed, I had to reprimand the minister for presuming to tell the committee how its business should be conducted. The committee is conducting its business in accordance with the ruling made by the committee. The committee can still change its mind if it wants to; that will be up to the committee.

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

Mr. Speaker: Order, please. There can only be one question of privilege before the House at a time.

Mrs. MacInnis: This is a question of privilege, Mr. Speaker.

Mr. Speaker: Order, please. The Chair has indicated that no debate will be allowed at this time. I do not think there should be a debate. If the hon. member has another question of privilege I will hear it in a moment, but in any event I indicated that the first matter would be taken under advisement. If the hon. member for Vancouver-Kingsway has a different question of privilege, I will now hear her.

Mrs. MacInnis: Mr. Speaker, it is equally well a point of order. My point is that an inaccurate statement has been made by the chairman of the committee and as a member of the steering committee I want to set it right. May I do so?

An hon. Member: Go ahead.

Mrs. MacInnis: The chairman made the point that the steering committee had decided that no witnesses would appear when legislation was referred to the committee. We did not make any such decision, Mr. Speaker. We made the decision that when the subject matter of a bill had already been discussed by the committee we would not consider it necessary to hear witnesses after second reading. The subject matter of the packaging and labelling bill has not been before the committee at any time.

Mr. Speaker: Order, please.

* * *

• (2:20 p.m.)

THE LATE JOSEPH-ALFRED MONGRAIN

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, may I refer with the deepest sorrow to the death of Mr. Joseph-Alfred Mongrain, the member for Trois-Rivières, who passed away on December 23.

A member since 1965, Mr. Mongrain was devoted to the interests of the citizens of his riding and gave constant proof of his untiring dedication to his work. His active participation in municipal affairs well prepared him for the role he was to play in the House of Commons. Mr. Mongrain leaves behind him the memory of a generous man, a man of ideas, independent in spirit, for whom politics was a total commitment.

I know that all members join with me in paying tribute to his memory and in extending the sympathy of this House to his family and friends.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to associate myself with the tribute paid by the Acting Prime Minister to the late Mr. Mongrain. He was a man with whom we all had very pleasant relations, a man who displayed the ability to discuss matters in the House with vigour without in any

way affecting personal relationships. We all feel that the House has suffered a very real loss. As the Acting Prime Minister has said, he was a man of real independence of spirit. He sat in the House as an independent member for some time.

I wish to join with the Acting Prime Minister in expressing our regrets, our sorrow and our sympathy to the members of his family.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I am sure that all members were both astonished and appalled to learn of the passing of Mr. Mongrain, the hon. member for Trois-Rivières, during the Christmas-New Years recess.

Mr. Mongrain was a friendly man who I think had the respect of members in all parts of the House. He was one of those rare politicians who are comparatively free of bitter partisanship. Every year he brought a delegation from his constituency to visit Parliament Hill and invited members of other parties to come and meet them. He was popular not only in the House but in his own constituency as indicated by the fact that he was twice mayor of Trois-Rivières and for one term was president of the conference of Canadian mayors.

His death is a serious loss to this chamber and to the party with which he was associated. The members of the New Democratic Party wish, through you, Sir, to express to Madame Mongrain and her children and to the people of Trois-Rivières our deep regret at the great loss which they and we have suffered.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, my colleagues of the Ralliement créditiste and myself were astounded to learn of the sudden demise of Mr. Mongrain, member for Trois-Rivières. We will certainly miss him, for he was remarkably clever and had a sense of humour. Even though we could not always agree with his opinions, it was nevertheless possible to exchange views with him. I would like to join all the other members to offer the stricken family our most sincere sympathy.

[*English*]

ROUTINE PROCEEDINGS

THE MINISTRY

APPOINTMENT OF MEMBER FOR DOLLARD AS SOLICITOR GENERAL

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, on behalf of the Prime Minister I should like to table press releases issued December 22 concerning changes in the ministry involving the departure from the cabinet of the hon. member for Ottawa Centre and the appointment of the hon. member for Dollard as Solicitor General.

Questions

COMMUNICATIONS

TABLING OF FIRST ANNUAL REPORT OF DEPARTMENT

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, pursuant to Standing Order 41(1) I wish to table copies in both official languages of the first annual report of the Department of Communications.

* * *

TEXTILE AND CLOTHING BOARD ACT

PROVISION FOR ESTABLISHMENT, INQUIRIES, REPORTS, ADJUSTMENT ASSISTANCE FOR WORKERS

Hon. Allan J. MacEachen (for the Minister of Industry, Trade and Commerce) moved for leave to introduce Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other acts in consequence thereof.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CANADA COUNCIL GRANTS

Question No. 6—**Mr. Nowlan:**

What was the success rate on applications to the Canada Council, in each of the past five years, for (a) doctoral fellowships (b) post-doctoral fellowships (c) leave fellowships (d) research grants of $6,000.00 or less (e) travel grants to International Meetings?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canada Council as follows:

SUCCESS RATES—ACADEMIC PROGRAMS
1965/66—1969/70

	1965/66	1966/67	1967/68	1968/69	1969/70
	%	%	%	%	%
Doctoral Fellowships	40	66	62	60	56
Post-doctoral Fellowships	—	—	72	53	—
Leave Fellowships	50	68	69	58	36
Research Grants ($5,000 or less)	—	—	91	88	88
Travel Grants to International Meetings	97	100	79	53	56

Questions

[*English*]

POLYMER CORPORATION—DISENGAGEMENT OF INVESTMENT IN SOUTH AFRICA

Question No. 59—**Mr. Broadbent:**

1. Has the government requested that Polymer Corporation of Canada disengage its 4.5 million dollar investment in Sentrachem Limited in South Africa and, if so, on what date did it make this request?

2. Has Polymer Corporation acceded to the government's request and, if not, for what reason?

Hon. James Richardson (Minister of Supply and Services): 1. and 2. Polymer's management informed the government early in the year that in view of the heavy financial requirements for its growth and diversification program, it was reviewing its 1963-64 investment in Sentrachem and subsequently made the decision that it should sell its shares. The company is now in the process of liquidating this investment.

PUBLIC SERVICE SUPERANNUATION ACCOUNT

Question No. 66—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Public Service Superannuation Account as at (a) March 31, 1968 (b) March 31, 1969 (c) March 31, 1970?

2. What rate of interest does the government pay for the use of this money?

3. What amount of interest was credited to the Public Service Superannuation Account during the fiscal years ending (a) March 31, 1968 (b) March 31, 1969 (c) March 31, 1970?

4. What was the total amount paid out of the Public Service Superannuation Fund during the fiscal years ending (a) March 31, 1968 (b) March 31, 1969 (c) March 31, 1970?

Hon. James Richardson (Minister of Supply and Services): 1. The total amount of money in the Public Service Superannuation Account as of: (a) March 31, 1968: $2,875,823,276; (b) March 31, 1969: $3,178,376,807; (c) March 31, 1970: $3,695,308,333.

2. Interest was paid on this account at the rate of 4 per centum per annum up until the quarter ending June 30, 1969. T.B. Minute 692055 dated September 25, 1969 amended section 35 of the Public Service Superannuation Regulations, and the actual interest rates subsequent to this date were as follows: Quarter ending September, 1969, 1.2416 per cent; December 31, 1969, 1.2575 per cent; March 31, 1970, 1.2868 per cent; June 30, 1970, 1.3174 per cent; September 30, 1970, 1.3262 per cent.

3. The total amount of interest credited to the Public Service Superannuation Account during the fiscal years ending: March 31, 1968: $110,897,897; March 31, 1969: $117,950,358; March 31, 1970: $130,993,152.

4. The total amount paid out of the Public Service Superannuation Account during the fiscal years ending: March 31, 1968: $84,113,503; March 31, 1969: $86,964,343; March 31, 1970: $95,880,827.

SUPPLEMENTARY RETIREMENT BENEFITS ACCOUNT

Question No. 68—**Mr. Knowles (Winnipeg North Centre):**

1. What is the estimate of the total amount expected to be contributed (a) by employees (b) by the government to the Supplementary Retirement Benefits Account during the period April 1, 1970, to March 31, 1971?

[. Pelletier.]

2. What is the estimate of the total amount expected to be paid out of the Supplementary Retirement Benefits Account as supplements to the pensions of all those entitled thereto during the period April 1, 1970 to March 31, 1971?

3. What was the total amount actually credited to the Supplementary Benefits Retirement Account (a) as contributions by employees (b) as contributions by the government during the six-month period April 1 to September 30, 1970 (c) what amount was added as interest and, at what rate, during the same period?

4. What was the total amount actually paid out of the Supplementary Retirement Benefits Account during the six-month period April 1 to September 30, 1970, in the form of pension supplements, and to how many individuals were such pension supplements paid at any time during that period?

5. What was the balance at credit in the Supplementary Retirement Benefits Account as at September 30, 1970?

Hon. C. M. Drury (President of the Treasury Board): 1. (a) $11.8 million; (b) $11.8 million.

2. $18.6 million.

3. (a) $5,801,992.52; (b) $5,801,992.52; (c) $5,709.44, 7½ per cent interest for period April—June, 1970; 7¼ per cent interest for period July—September, 1970.

4. $9,275,800.43 to 70,877 persons.

5. $9,219,222.10.

GRANT TO INDIAN-ESKIMO ASSOCIATION

Question No. 89—**Mr. Howard (Skeena):**

1. Did the Secretary of State Department provide a financial grant related to the meeting held at Coppermine, Northwest Territories attended by representatives from Indian and Eskimo communities across the arctic and, if so, what was the amount of that grant?

2. Is the government giving consideration to providing more monies to this new organization of Indian and Eskimo communities to assist them in obtaining their objectives?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the departments of the Secretary of State and Indian Affairs and Northern Development as follows: 1. The Department of the Secretary of State provided a grant of $15,000 to the Indian-Eskimo Association of Canada to assist it in meeting the travel expenses of Eskimo and Indian delegates attending the Coppermine Conference.

2. No provision has been made by the Department of Indian Affairs and Northern Development for financial assistance to the new organization of Indian and Eskimo communities entitled (Committee for Original Peoples Entitlement) COPE.

PERCENTAGE OF CANADIANS EARNING LESS THAN $7,000 YEARLY

Question No. 101—**Mrs. MacInnis:**

1. What percentage of Canadian taxpayers in the last available year earned less than $7,000 a year?

2. Are there any members of the Canadian Consumer Council who earn less than $7,000 a year?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of National Revenue, Taxation and Consumer and Cor-

porate Affairs as follows: 1. 74 per cent of Canadian taxpayers earned less than $7,000 in the year 1968, the latest year for which such statistics are available.

2. The earnings of members of the Canadian Consumer Council are not known by the Department of Consumer and Corporate Affairs.

NUMBER OF REPRESENTATIONS RECEIVED REGARDING REFORM OF ABORTION LAWS

Question No. 102—**Mrs. MacInnis:**

For the period January 1, 1970 to September 30, 1970, how many representations have been submitted to the Government of Canada regarding reform of Canada's Abortion Laws, urging the Canadian Government to remove abortion from the Criminal Code, making it a medical decision between physician and patient?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Justice, National Health and Welfare and the Prime Minister's and Privy Council offices as follows: 364, which includes 76 names signed on one petition.

NEWFOUNDLAND—REPRESENTATIVES OF REGIONAL ECONOMIC EXPANSION IN PROVINCE

Question No. 154—**Mr. Marshall:**

1. Who are the representatives from the Department of Regional Economic Expansion working with the Government of the Province of Newfoundland, and what are their titles and responsibilities?

2. Who are those directly responsible for the area which includes the constituency of Humber-St. George's-St. Barbe and what are their particular responsibilities?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. The Department's officers located in Newfoundland are: Mr. J. L. Miller, Director—generally responsible for departmental activities in Newfoundland. Mr. R. A. Kieley, Senior Infrastructure Officer, Mr. D. M. Burt, Junior Infrastructure Officer—concerned with departmental activities related to implementation of the Newfoundland Special Areas and Highways Agreement. Mr. C. D. Reynolds, Resource Adjustment Officer—concerned with ARDA and with implementation of the Newfoundland Resettlement Agreement. Mr. A. Davis, Industry Development Officer—concerned with the utilization of the Regional Development Incentives Act and other promotion of industry in the province.

2. The responsibilities of each of the above-named officers are not limited to any particular district, but are province-wide.

GREATER VANCOUVER AREA—FINANCING OF LOW COST HOUSING

Question No. 163—**Mr. Goode:**

Does Central Mortgage and Housing Corporation plan to refurbish the supply of money for low-cost housing in the greater Vancouver area?

Hon. Robert K. Andras (Minister without Portfolio): Yes. Central Mortgage and Housing Corporation, in its 1971 capital budget, will provide a substantial amount of financing for the provision of housing for low and modest income people.

FREDERICTON AIRPORT

Question No. 203—**Mr. MacRae:**

Have any surveys been made within the past twelve months regarding the extension of the runways of the Fredericton Airport?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): No, however, the Ministry of Transport conducts continuing reviews of all major airports in Canada, including Fredericton, to assess requirements for extension of runways and expansion of other facilities serving civil aviation in Canada.

MANPOWER—SPECIAL TRAINING PROGRAM

Question No. 213—**Mr. Lewis:**

1. How many new trainees, by province, will benefit from the approximately $20 million in additional funds to be provided to the Department of Manpower and Immigration in an extension of its manpower training programs as announced by the Minister of Finance on October 13?

2. What is the breakdown, by province, of the $15 million being provided under a special employment program directed to capital projects in regions where unemployment is higher as announced by the Minister of Finance on October 13 and what special criteria have been used with regard to the financial allocation?

3. For each department and agency, how many people have been and are to be employed for a variety of operations and maintenance tasks under the $25 million allocated by the Minister of Finance in his speech on October 13 and, for each class of employees employed or to be employed, what is the respective remuneration or salary?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Manpower and Immigration and by the Treasury Board as follows: 1. It is estimated that a minimum of 12,000 to 13,000 persons will be trained under the special program. The actual number trained in each province will depend on the kind of training provided, the cost and the duration of training courses, and will not be available until the program is completed.

2. The breakdown by province of the capital projects portion of the special program is as follows:

	$000's
British Columbia	2,305.2
Alberta	351.8
Saskatchewan	924.5
Manitoba	1,455.3
Ontario	160.0
Quebec	8,464.0
New Brunswick	163.2
Nova Scotia	180.4
Prince Edward Island	439.7
	14,444.1

The criteria used in allocating the $60 million dollars of additional expenditure involved judgment as to the extent to which unemployment, reflecting long-standing structural relationships in the various regions of the country, exceeded the level of about four per cent. On that basis, approximately half the excessive unemployment is to be found in Quebec, the balance in other parts of Canada. In the distribution of expenditures within Quebec and within each of the other regions, predominance was given to the need to select for implementation work which would create a relatively large amount of employment per dollar expended and at the same time contribute to the programs of government.

3. Figures are not available on the number of people that will be employed nor the remunerations they will receive from the approximate $25 million allocation for operation and maintenance tasks. It is anticipated, however, that some 3,670 man years of employment will be provided through these tasks. Since a man year is the employment of one person for a complete year, it is therefore obvious that many more persons than the 3,670 figure mentioned above will be employed as this money must be spent within the fiscal year ending March 31, 1971. The type of person to be hired will consist of some higher paid people such as engineers; however, due to the type of projects involved, it is expected that the majority of those employed will be in the lower paid categories of unskilled and semi skilled.

CHARLOTTETOWN AIRPORT

Question No. 214—**Mr. Macquarrie:**

1. What is the present seating capacity of the waiting room of the Charlottetown Airport?

2. What was the seating capacity prior to the recent enlargement of the terminal building?

3. How many commercial flights use the Charlottetown Airport on a daily basis and, what is their passenger capacity?

4. For how many automobiles does the Airport parking lot provide space?

5. Is it intended to enlarge the runways at the Charlottetown Airport and, if so, when and by how much?

6. Is land for expansion of the Charlottetown Airport being acquired or surveyed?

7. When is an Instrument Landing System to be installed?

8. Are further improvements contemplated for this Airport and, if so, on what date?

9. What is the floor space of the present passenger terminal and what was it prior to the enlargement referred to in part 2?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. Sixty-three persons.

2. Thirty-three persons.

3. (a) Boeing 737 twice daily, Seating capacity 109; (b) Dart Herald three times daily, Seating capacity 42.

4. Fifty-eight automobiles.

5. No.

6. Not at this time, however, a task force has been set up to produce a master plan for the development of airport expansion commensurate with the service provided by the scheduled carriers.

7. Anticipated in 1972.

8. (a) An expansion of 1,280 sq. ft. to the Air Terminal Building is to be completed in 1971; (b) General improvements to Runways, Runway Lighting Systems and other airports facilities, as dictated by the development of the master plan referred to in 6 could take place within the next 5 years.

9. Present Terminal, 2,960 sq. ft.; before enlargement, 1,569 sq. ft.

[Mr. Jerome.]

NUMBER OF PUBLIC SERVICE EMPLOYEES AND SALARIES

Question No. 285—**Mr. Mazankowski:**

How many public servants were employed by the government during the fiscal years 1967-68 and 1968-69 (a) what was the total cost of the payroll in each fiscal year (b) what was the average salary in each fiscal year (c) what was the percentage of increase?

Hon. C. M. Drury (President of the Treasury Board):

	1967-68	1968-69
Number of employees	201,601	204,177
(a) Payroll (in thousands of dollars)	$1,261,472	$1,363,776
(b) Average Salary	$6,267.20	$6,679.30
(c) Percentage Increase		6.7 per cent

The above data relates only to those employees for which the Treasury Board is the employer and does not include casual employees of less than six months.

Source: DBS—Federal Employment Statistics.

DEPARTMENT OF JUSTICE OFFICES

Question No. 294—**Mr. Schumacher:**

1. As the present time, how many offices are maintained across Canada by the Department of Justice and, in each case (a) where are they located (b) when were they opened (c) what is their purpose?

2. How many lawyers are employed in each such office and, in each case (a) what are their names (b) at what cost?

3. What other staff is employed and, in each case (a) in what capacity (b) at what cost?

4. What is the budget for each office for the current year?

Hon. John N. Turner (Minister of Justice): 1. In addition to Headquarters in Ottawa, the Department of Justice maintains the following Regional Offices which were opened on the dates indicated below:

(a) Halifax	opened	(b) July 1, 1970
Montreal		July 19, 1965
Toronto		January 1, 1966
Winnipeg		April 1, 1969
Vancouver		August 1, 1967

Department of Justice officers are also attached to the offices of other government departments or agencies at Sydney, N.S.; Moncton, N.B.; Saint John, N.B.; Belleville, Ont.; Edmonton, Alta.; and Saskatoon, Sask. Two Crown Attorneys are stationed at Yellowknife, N.W.T., and one at Whitehorse, Y.T. (c) The purpose of each Regional Office is to carry out such legal functions of the Department of Justice as may be assigned to them or which may arise within the respective regions.

2. The names of the lawyers employed in each Regional Office, and the costs of employing them are as follows: Halifax—3 lawyers: R. P. J. Anderson; J. M. Bentley; B. N. Burgess. Cost $54,150. Montreal—13 lawyers: G. Cote; G. Drolet; L. P. Landry; J. R. G. LeBlanc; M. Lecours; G. R. Leger; H. Masson; G. Monette; A. Nadon; P. Paul; M. Peterson; J. Potvin; G. Tremblay. Cost $207,127. Toronto—16 lawyers: F. A. A. Baker; R. F. Batt; A. J. Belisle; E. A. Bowie; P. Bozowsky; N. A. Chalmers; P. S. Duffy; J. S. Gill; M. Greenbloom; L. R. Olsson; W. R. Persram; D. J. A. Rutherford; D. G. Scott; R. B. Thomas; P. A. Vita; J. F. Wcislo. Cost $251,750. Winnipeg—5 lawyers: E. Kucher; D. Margolis; M. M. Morgan; A. Sarchuk; A. Schroeder. Cost $98,450. Vancouver—19 lawyers: W. G. Barker; W. T. Begg; G. C. Carruthers; N. Christie; G. O. Eggertson; A. G. F. Gilchrist; D. J. T. Graham; P. W. Halprin; S. J. Hardinge; W. Hohmann; C. M. Hyde; S. A. Hynes; T. E. Jackson; D. R. Kier; W. Mah; N. D. Mullins; G. A. Noble; R. G. Wismer; C. Stolte. Cost $310,550.

3. Other staff and the costs of employing them are as follows: Halifax, 3 secretaries, $17,956; Montreal, 9 secretaries, 3 clerks $75,101; Toronto, 14 secretaries, 8 clerks $130,514; Winnipeg, 4 secretaries, 1 clerk $31,446; Vancouver, 10 secretaries, 2 clerks $69,497.

4. The budgets for these offices for the current year are as follows: Halifax, $93,000; Montreal, $406,000; Toronto, $464,800; Winnipeg, $206,000; Vancouver, $451,000.

CONSTITUTIONAL RAMIFICATIONS RESULTING FROM LECLERC CASE

Question No. 304—**Mr. Tétrault:**

1. What was the legal position of the federal government in the case of Mr. William Leclerc heard before the Provincial Court of the City of Montreal by Judge M. Perron?

2. Following this case, is the federal government considering the possibility of introducing an amendment to the constitution and, if so, have any steps been taken in that direction?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Justice and the Prime Minister's and Privy Council offices as follows: 1. It was decided that the federal government would not intervene in this case, at least not at this stage, before the Provincial Court.

2. There has been no specific consideration of the results of this case, as it is still before the courts. General discussions are being held with the provincial governments about the distribution of powers in relation to the capital market in the course of the constitutional review.

ROYAL CANADIAN MOUNTED POLICE—PERSONNEL STATISTICS

Question No. 311—**Mr. Orlikow:**

1. How many men were members of the RCMP in each of the past five years?

2. Of the total RCMP strength in each of the past five years (a) how many men were English speaking (b) how many were French speaking?

Questions

3. How many English speaking officers were assigned to each province in each of the past five years?

4. How many French speaking officers were assigned to each province in each of the past five years?

Hon. Jean-Pierre Goyer (Solicitor General): 1. April 1, 1970, 9413; April 1, 1969, 8918; April 1, 1968, 8615; April 1, 1967, 8250; April 1, 1966, 7560.

	English Speaking Members	French Speaking Members
April 1, 1970, 9413	8487*	926*
April 1, 1969, 8918	8032*	886*

*Figures are approximate as precise statistical records have not been kept. No records are available prior to dates shown.

3 and 4. Officers are assigned to provinces on the basis of authorized strengths and in accordance with established priorities in respect of language and other requirements. Statistical records of exact numbers by provinces in each language group have not been maintained.

CITIZEN PROTECTION STUDIES

Question No. 326—**Mr. Fortin:**

1. Is the government studying the advisability of introducing legislation creating an ombudsman to ensure better protection for citizens?

2. What is the status of studies concerning citizen protection against government and bureaucracy?

3. Who is conducting the studies and will they be Tabled?

Hon. John N. Turner (Minister of Justice): In so far as the Department of Justice is concerned: 1, 2 and 3. Protection of the citizen has been, and continues to be, a fundamental concern. How best to achieve optimum protection for the citizen in his relations with the federal government is under continuous study, and many steps have already been taken to redress the imbalance between the two. The recently enacted law of expropriation is an example where additional protection was given the citizen against the arbitrary powers of expropriation that existed heretofore. Likewise, the Statutory Instruments Bill which provides for public scrutiny of regulations and other statutory instruments, the re-organization of the Exchequer Court into the Federal Court of Canada, the measure respecting hate propaganda, the establishment of a Law Reform Commission, and measures to be introduced regarding the right to privacy were drafted, or will be drafted, with this fundamental concern for civil liberties in mind. It has not been shown conclusively that the office of ombudsman offers the citizen a greater measure of protection against the state than he enjoys with an informed legislature and a responsive government.

CRIMINAL CODE—IMPOSITION OF PECUNIARY PENALTIES

Question No. 332—**Mr. Fortin:**

With reference to the pecuniary penalties provided for in the Criminal Code and under Sections 622 and 694 of the Criminal Code, will the government consider imposing the penalty in

proportion to ability to pay so that the poor will not be more penalized than the affluent and (a) if so, on what date (b) if not, for what reason?

Hon. John N. Turner (Minister of Justice): With the exception of a very few cases where minimum penalties are provided for, the penalties provided by the Criminal Code are maximum penalties, and the decision of what is an appropriate penalty is properly left to the courts to determine on the basis of all the circumstances of the case, including the ability of the convicted person to pay. It is considered that adequate remedies by way of appeal are available to a convicted person who considers that the amount of a fine imposed upon him is excessive.

FEDERAL COURT OF CANADA

Question No. 333—**Mr. Fortin:**

1. Does the government intend changing the name of the Exchequer Court of Canada to Federal Superior Court?

2. Is the government considering the possibility of making the Immigration Appeal Board a division of the proposed Federal Superior Court?

3. Is the government considering or will it consider the possibility of making the Tax Appeal Board a Fiscal Matters Division of the proposed Federal Superior Court?

Hon. John N. Turner (Minister of Justice): 1. As a result of Bill C-172 the Exchequer Court of Canada has been retitled and reorganized as the Federal Court of Canada.

2. The government has no intention of proceeding in the manner indicated at the present time.

3. The intention of the government in respect to the Tax Appeal Board is indicated in Bill C-174 which is now before the House.

"VAPONA NO-PEST STRIP"

Question No. 356—**Mr. Anderson:**

1. Has the Department of National Health and Welfare undertaken any study to determine the effect of inhaling, over a period of months or years, the pesticide dimethyl-dichlorovinyl-phosphate, the active agent of the Shell Chemical Company's "No-pest Strip" and, if not, for what reason has the sale of this product in Canada been approved?

2. Is it the intention of the Department to require the pesticide to be clearly labelled "Poison", as has been done in Holland and other European Countries?

Hon. John C. Munro (Minister of National Health and Welfare): 1. No. The Department of National Health and Welfare does not approve the sale of any product in Canada and has not approved the sale of the Shell Chemical Company's "Vapona No-Pest Strip". It is understood that this product is, however, registered, for specified purposes, under the Pest Control Products Act, which is administered by the Department of Agriculture.

2. The labelling of the "Vapona No-Pest Strip" is the responsibility of the Canada Department of Agriculture.

COMMONWEALTH WAR GRAVES COMMISSION—CANADA'S CONTRIBUTION TO MAINTENANCE OF CEMETERIES

Question No. 374—**Mr. Rodrigue:**

1. How many military cemeteries does Canada maintain abroad?

2. In which countries are they located?

3. What is the maintenance cost of military cemeteries abroad?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of National Defence and Veterans Affairs as follows: 1. Four. In addition, serving servicemen and dependants may be buried in cemeteries maintained by the Commonwealth War Graves Commission and the Department of External Affairs.

2. Two in West Germany and two in France.

3. At present there is a 20 year lease totalling $16,178 for maintenance of graves of servicemen at Werl, West Germany. Maintenance costs of graves of dependants buried at Zwiebrucken, Choloy and St. Hilare, are borne by non-public funds and are not a charge on the Department of National Defence. In so far as service personnel buried in cemeteries maintained by the Commonwealth War Graves Commission is concerned, maintenance costs are charged on a pro rated basis annually and are paid from defence appropriation "miscellaneous expenses". Such costs are not readily identifiable without a great deal of research. The Commonwealth War Graves Commission maintains the graves of all Canadian war dead who are buried abroad. Canada contributes to the Commonwealth War Graves Commission an amount in direct ratio to the number of burials. In 1970-71 Canada's share, paid by the Department of Veterans Affairs, will be $558,000.

PUBLIC SERVICE—POSITION OF MR. RICHARD GWYN

Question No. 390—**Mr. Coates:**

1. Has Mr. Richard Gwyn left the position of Executive Assistant to the Minister of Communications and, if so (a) has he entered the federal Public Service (b) in what capacity and in which department (c) at what level and salary?

2. Did he enter and win a Public Service competition for this position and, if not, what was the basis for his appointment?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. Yes. (a) Yes. (b) Director, Socio Economic Planning, Department of Communications. (c) Senior Executive Officer 1, Salary range $20,000-$25,000.

2. Mr. Gwyn was appointed by the Public Service Commission by a process of selection other than competition as provided for by Section 10 of the Public Service Employment Act.

[*English*]

CORNER BROOK, NFLD.—PROVISION OF CMHC FUNDS FOR ARTERIAL ROUTE

Question No. 416—**Mr. Marshall:**

Has the Province of Newfoundland made application to CMHC to provide funds for an arterial route in the City of Corner Brook and, if so, what progress has been made?

Hon. Robert K. Andras (Minister without Portfolio): The Province of Newfoundland has not made application to Central Mortgage and Housing Corporation to provide funds for an arterial route in the City of Corner Brook.

STATUS OF HOLDERS OF RHODESIAN PASSPORTS

Question No. 419—**Mr. Robinson:**

Is it government policy that people holding Rhodesian passports are denied entrance to Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): In a resolution passed on May 29, 1968, the Security Council decided "that all States Members of the United Nations shall: (a) Prevent the entry into their territories, save on exceptional humanitarian grounds, of any person travelling on a Southern Rhodesian passport, regardless of its date of issue, or on a purported passport issued by or on behalf of the illegal régime in Southern Rhodesia; (b) Take all possible measures to prevent the entry into their territories of persons whom they have reason to believe to be ordinarily resident in Southern Rhodesia and whom they have reason to believe to have furthered or encouraged, or to be likely to further or encourage, the unlawful actions of the illegal regime in Southern Rhodesia or any activities which are calculated to evade any measure decided upon in this resolution or resolution 232 (1966) of 16 December 1966." This is a mandatory decision of the Security Council, and Canada has complied with it in accordance with its obligations under the United Nations Charter. The entry to Canada, save on exceptional humanitarian grounds, of any person travelling on a Southern Rhodesian passport is prohibited.

DEPARTMENT OF LABOUR—MAN-HOURS SAVED AS A RESULT OF UTILIZATION OF COMPUTERS

Question No. 447—**Mr. Robinson:**

How many man-hours have been saved as a result of the utilization of computers by the Department of Labour during each year since computers have been used?

Hon. Bryce Mackasey (Minister of Labour): Estimates of man-hour savings achieved by means of computers cannot be made because the type of records required are not maintained. There are clear indications, however, that the use of computers has made available a substantial amount of information that would not have otherwise been available and has done so without any significant increase in man-hours.

DEPARTMENT OF LABOUR—LAY-OFFS AND HIRINGS AS A RESULT OF USE OF COMPUTERS

Question No. 448—**Mr. Robinson:**

As a result of the use of computers by the Department of Labour, how many employees have been (a) laid off (b) hired?

Hon. Bryce Mackasey (Minister of Labour): (a) Nil. (b) Records are not maintained in a manner which would permit the identification of employees hired specifically because the department is using computers, with the exception of those personnel classified as CSA or Computer Operating Personnel. There are 24 employees so classified in this department.

WHEAT BOARD SALES—AMOUNT PAID BY GOVERNMENT TO FINANCE INTEREST CHARGES

Question No. 449—**Mr. Korchinski:**

1. In the past 10 years, what amount was paid by the government to finance interest charges on Wheat Board sales?

2. What amount, which was attributable to the interest charge, was charged to each pool (that is, wheat, oats or barley) in the same period?

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. The program to assist credit sales of wheat by subsidizing the interest rate to competitive levels was initiated in 1969. Up to November 30, 1970, the government had paid $809,168.58 under this program.

2. Nil.

OXFORD, N.S.—POST OFFICE

Question No. 465—**Mr. Coates:**

1. Have complaints been received by the Department of Public Works with regard to the post office constructed at Oxford, Nova Scotia and, if so, what was the basis of the complaints and from whom were they received?

2. Has consideration been given by the Department of Public Works to the enlargement of the post office at Oxford, Nova Scotia and, if so, what action will be taken?

Hon. Arthur Laing (Minister of Public Works): 1. Yes, two complaints about the modest size of the building, from D. L. George Henley, M.L.A., Cumberland and from the local branch of The Royal Canadian Legion, were referred to the Department.

2. No.

PARRSBORO, N.S.—POST OFFICE

Question No. 466—**Mr. Coates:**

1. On what date was a decision first reached to construct a new post office at Parrsboro, Nova Scotia?

2. Have delays occurred in constructing a new post office at Parrsboro and, if so, for what reason?

3. On what date are tenders to be called for the construction of this facility?

Hon. Arthur Laing (Minister of Public Works): 1. June 26, 1967.

2. Yes, the Post Office Department requested that the project be deferred until the 1971-72 fiscal year.

3. It is planned to call tenders in the fiscal year 1971-72.

DEPARTMENT OF LABOUR—COST OF PUBLISHING "LABOUR NEWS HEADLINES"

Question No. 470—**Mr. MacRae:**

What is the estimated annual cost to the Department of Labour including the wages of staff, printing, paper, distribution, etc. of the publication entitled "Labour News"?

Questions

Hon. Bryce Mackasey (Minister of Labour): The Department publishes a periodical entitled "Labour News Headlines." Estimated annual cost:

Wages of staff (six employees working a combined total of three and one-quarter hours a day, pro-rated against the publication)	$3,003.00
Printing cost (217 plates × .07 cents)	15.19
Paper cost (1,000 sheets per issue × $2.00 per thousand × 217 issues)	434.00
	$3,452.19

The bulletin was first published August 8, 1955, for internal Departmental use. Distribution was extended to the Senate, House of Commons and other interested parties on November 21, 1969.

OTTAWA—TOWER "B", PLACE DE VILLE

Question No. 471—**Mr. Paproski:**

1. Were tenders called for contract 9C-04340 covering partitions and miscellaneous work on the 6th, 7th and 8th floors, Tower "B", Place de Ville and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades.

Hon. Arthur Laing (Minister of Public Works): 1. No.

2. Tenders were not requested because it was essential that the building owner carry out the work, which affected the building's mechanical and electrical services, to maintain continuity of guarantees under the lease arrangements.

3. The owner of the building, Campeau Corporation engaged the contractor.

4, 5 and 6. Not applicable.

OTTAWA—MACDONALD BUILDING

Question No. 472—**Mr. Paproski:**

1. Were tenders called for contract 9C-06245 covering alterations on floors one to nine inclusive, MacDonald Building and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

[Mr. MacRae.]

Hon. Arthur Laing (Minister of Public Works): 1. No.

2. Tenders were not requested because it was essential that the building owner carry out the work, which affected the building's mechanical and electrical services, to maintain continuity of guarantees under the lease arrangements.

3. The owner of the building, Metcalfe Realty Company Limited engaged the contractor.

4, 5 and 6. Not applicable.

OTTAWA—TOWER "B", PLACE DE VILLE

Question No. 473—**Mr. Paproski:**

1. Were tenders called for contract 9C-06246 covering alterations on second, third, fourth and fifth floors, Tower "B" Place de Ville and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

Hon. Arthur Laing (Minister of Public Works): 1. No.

2. Tenders were not requested because it was essential that the building owner carry out the work, which affected the building's mechanical and electrical services, to maintain continuity of guarantees under the lease arrangements.

3. The owner of the building, Campeau Corporation engaged the contractor.

4, 5 and 6. Not applicable.

OTTAWA—SIR GUY CARLETON BUILDING

Question No. 475—**Mr. Paproski:**

1. Were tenders called for contract 9C-13376 covering alterations to Sir Guy Carleton Building and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and

interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

Hon. Arthur Laing (Minister of Public Works): 1. No.

2. Tenders were not requested because it was essential that the building owner carry out the work, which affected the building's mechanical and electrical services, to maintain continuity of guarantees under the lease arrangements.

3. The owner of the building, Gillin Engineering and Construction Limited engaged the contractor.

4, 5 and 6. Not applicable.

OTTAWA—TOWER "B", PLACE DE VILLE

Question No. 476—**Mr. Paproski:**

1. Were tenders called for contract 9C-07932 covering alterations to floors 9, 10, 16 to 21, Tower "B", Place de Ville and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

Hon. Arthur Laing (Minister of Public Works): 1. No.

2. Tenders were not requested because it was essential that the building owner carry out the work, which affected the building's mechanical and electrical services, to maintain continuity of guarantees under the lease arrangements.

3. The owner of the building, Campeau Corporation engaged the contractor.

4, 5 and 6. Not applicable.

RESOURCE DEVELOPMENT PROGRAMS—STUDIES OF POSSIBLE ECOLOGY EFFECTS

Question No. 479—**Mr. Anderson:**

1. What steps does the government plan to take to give legal force to the recommendations of the Science Council of Canada that persons embarking on resource development should first research the possible damage to the ecology of the region in question?

2. Is the Department of Energy, Mines and Resources or any other department undertaking any study of the effect of the Bennett Dam on the ecology of the area near Fort Chipewyan, Alberta?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Energy, Mines and Resources and Fisheries and Forestry as follows: 1. Resource development programs on all lands coming within federal government jurisdiction are controlled by departments of this government and such programs will be studied to ensure at all times that possible ecology effects are known. The recently announced federal government guidelines for pipeline construction in the north is an example of government policy in this regard. Under the Fisheries Act potential developers may be required to submit plans and specifications of their proposed works, so that pollution control provisions can be checked and approved or rejected.

2. The governments of Canada and Alberta have agreed to establish a task force to be headed by a Director nominated by the Department of Energy, Mines and Resources, to gather all of the information required to make firm recommendations to both governments on the action necessary to assure that the needs of the Peace-Athabasca Delta region are met by the spring of 1972. It is assumed that the region referred to is the area near Fort Chipewyan, Alberta. The information to be compiled by the task force will include study of the effect of the W.A.C. Bennett Dam on the ecology of the Peace-Athabasca Delta region. The Department of Fisheries and Forestry is setting up a task force to gather relevant data on the Lake Athabasca problem, and to determine appropriate remedial action.

NATIONAL HEALTH AND WELFARE—LIST OF DRUG QUALITY AND EQUIVALENCY

Question No. 486—**Mrs. MacInnis:**

On what date will the government make public its list of drug quality and equivalency as recommended by the Special Committee on Drug Costs and Prices in 1967 along the lines already undertaken by the Ontario Government?

Hon. John C. Munro (Minister of National Health and Welfare): The Department of National Health and Welfare will publish the first list of drug products meeting specified criteria of quality, early in the year 1971. This material will appear in the Drug Information Bulletin "R_x", a monthly publication of the Food and Drug Directorate which is sent to all physicians, dentists, veterinarians, and retail and hospital pharmacies in Canada.

ARGENTIA-PLACENTIA, NFLD.—DESIGNATION AS SPECIAL AREA

Question No. 495—**Mr. Carter:**

1. Has the Newfoundland provincial Government made representations to the Department of Regional and Economic Expansion to have the Argentia-Placentia area designated as a special area?

2. Was the Argentia-Placentia area included in the Newfoundland provincial Government's recommendations for the designation of special areas under the Department of Regional and Economic Expansion in that province?

3. Has the Newfoundland provincial Government requested assistance from the appropriate department for the provision of Technical and Trade School facilities in the Argentia-Placentia area?

4. Has an offer of assistance been extended by the government to the Newfoundland provincial Government for the provision of a Technical and Trade School in the Argentia-Placentia area and, if so, was the offer accepted or rejected?

Questions

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Department of Manpower and Immigration as follows: 1. and 2. Special area designations are decided after consultation on priorities with the provincial government concerned, not by the making of representations.

3. No.

4. No.

CMHC—LOANS TO HOME OWNERS IN ISOLATED AND SPECIAL AREAS

Question No. 502—**Mr. Hopkins:**

Will the present CMHC practice of granting loans to home owners in larger towns and cities in isolated areas of Canada be expanded in 1971 to include towns and cities in special areas as designated by the government?

Hon. Robert K. Andras (Minister without Portfolio): In 1971, direct lending by Central Mortgage and Housing Corporation under the National Housing Act will continue to be directed, as in 1970, toward increasing the volume of housing available to low and modest income families throughout Canada. Central Mortgage and Housing Corporation, in its direct lending will also endeavour to meet the most urgent housing needs, which have usually occurred in new resource towns and in smaller cities and rural areas throughout the country, arising from an inadequate distribution of loans by the institutional lenders. It is anticipated, however, that an increased volume of lending by lending institutions will decrease lending by Central Mortgage and Housing Corporation in some of the smaller towns and rural areas in 1971.

PUBLIC SERVICE EMPLOYMENT ACT

Question No. 511—**Mr. Skoberg:**

1. Does the Public Service Commission have complete jurisdiction in decision making in so far as the Public Service Employment Act is concerned?

2. What are the specific terms of reference of the Public Service Commission in the decision making process?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. Yes, except where otherwise provided for under the following sections of the Public Service Employment Act: (i) The Governor in Council has full authority under sections 32(6)(a), 34(1), 38 and 44. (ii) The Governor in Council has authority under sections 35 and 39 provided a recommendation is made by the Commission. (iii) A Minister has authority to appoint his Executive Assistant and other persons required in his office under section 37(1). (iv) The Deputy Minister has authority under sections 26, 27, 28(2) and (3), and 29(1).

2. The Public Service Employment Act.

[Mr. Carter.]

[*English*]

HOLDINGS OF CANADA SAVINGS BONDS IN 1969

Question No. 534—**Mr. Godin:**

1. During 1969, what was the amount of Canada Savings Bonds held by individuals in Canada?

2. What rate of interest is paid to them?

Hon. E. J. Benson (Minister of Finance): 1. At December 31, 1969, the amount of Canada Savings Bonds outstanding was $6,683 million of which more than 99 per cent were owned by individuals and estates, the remainder being held by associations, corporations and charitable organizations.

2. Rates paid on Canada Savings Bonds outstanding vary according to the issue held, and for certain of the issues, interest coupons are payable at various rates. The terms of all CSB issues outstanding may be found in the publication, Loans of Government of Canada and Loans Guaranteed by the Government of Canada.

CANADIAN OIL RESERVES

Question No. 537—**Mr. Aiken:**

1. How many barrels of proven oil reserves are estimated by the National Energy Board to be available in Canada?

2. At the anticipated rate of consumption, in how many years will these proven reserves be depleted?

3. Is there any difference of opinion among geologists concerning the amount of Canadian oil reserves?

4. Has any oil yet been discovered as a result of drilling in the Mackenzie Delta area?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): The National Energy Board reports as follows: 1. The estimated crude oil reserves in Canada, as of December 31, 1969 were 8,619,805,000 barrels, not including the synthetic oil reserves of the Athabaska Oil Sands.

2. Twenty-one years and five months.

3. Yes.

4. Yes.

DEPARTMENT OF SECRETARY OF STATE—MAN-HOURS SAVED AS A RESULT OF USE OF COMPUTERS

Question No. 545—**Mr. Robinson:**

How many man-hours have been saved as a result of the utilization of computers by the Department of the Secretary of State during each year since computers have been used?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): It is estimated that approximately 3,240 man-hours have been saved by the use of data text computer system in the Department of the Secretary of State since installation in February 1970.

[*English*]

DEPARTMENT OF SECRETARY OF STATE—LAY-OFFS AND HIRINGS AS A RESULT OF USE OF COMPUTERS

Question No. 546—**Mr. Robinson:**

As a result of the use of computers by the Department of the Secretary of State how many employees have been (a) laid off (b) hired?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): (a) None. (b) None.

[*English*]

CBC WEEKEND PROGRAM ON ABORTION

Question No. 556—**Mr. Roy (Timmins):**

1. How much did the presentation on the subject of abortion shown on CBC Weekend Program November 22 cost?

2. Who at CBC took the decision to make this program?

3. How much were the American producers paid for the program and under what terms and conditions were they hired?

4. Were any of the performers remunerated in any way by the producers or from any other source?

5. Were any of the expenses of the performers paid in any way by the producers or from any other source?

6. Who conceived the whole production?

7. How and by whom were the performers approached, including the Vancouver aborted students, and how was their individual consent obtained?

8. Was the aborted girl associated by membership, or otherwise, with any group which supports the legalization of abortions?

9. How many CBC officials saw the presentation before it was shown on the network and who were they?

10. Who suggested the televising of the presentation on the network?

11. Did any CBC official, or other person involved, express opposition to the showing of this program on the network?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. It has not been customary to require the CBC to disclose such details as the cost of specific program material since such information could adversely affect the Corporation in its competitive business relationships. However, payment for the item in question was well in line with amounts normally paid for procured color documentary material of an exclusive nature.

2. The item was made by William J. Warren and Peter J. Lake, two Los Angeles producers. The executive producer of "Weekend" agreed to buy the item following consultation with his supervisors and with legal counsel.

3. The producers were not hired by the CBC but, as indicated above, they were paid a normal amount for the item.

4. No one who appeared in the item was paid by the CBC and, to the best of the CBC's knowledge, no one was paid by the producers of the item.

5. Not to CBC's knowledge, and certainly not by the CBC.

6. The producers, Mr. Warren and Mr. Lake.

7. The people involved in the item were approached by Messrs. Warren and Lake. Last winter Mr. Warren was doing research for a feature article, subsequently carried as a cover story in "Newsweek" magazine, on the matter under discussion. He made contacts then with the officials at the clinic. The girl involved came to the attention of the producers through the clinic. The producers provided written consent from the girl involved.

8. To the best of the CBC's knowledge, the answer is no.

9. The executive producer of "Weekend" consulted with his supervisors extensively on this matter and screened the item for his immediate supervisor, the head of Current Affairs—TV, for the Director of TV Information Programs, and for the Managing Director of Television. As a result of these discussions, several changes were made before approval was given for the presentation of the item.

10. The item was offered to the "Weekend" unit by Messrs. Warren and Lake and the idea was accepted and recommended for presentation by the executive producer, with his recommendation subsequently approved by his supervisors.

11. No.

[*English*]

DEPARTMENT OF NATIONAL DEFENCE—RE-ENLISTMENT COMPARISONS

Question No. 558—**Mr. Forrestall:**

1. In each of the past 5 years, what has been the percentage rate with respect to the total Armed Forces of re-enlistment at each stage for (a) officers (b) non-commissioned ranks?

2. What were the corresponding figures for 1960?

3. What is the current re-enlistment percentage rate for the professional categories within the Armed Forces such as doctors, dentists, nurses, lawyers, graduate engineers and pilots?

4. What is the current re-enlistment rate for serving graduates of (a) Royal Military Colleges (b) "cadetships" directly from Universities?

5. What is the current re-enlistment rate for men and officers who had resigned and were out for a period of time?

Hon. Donald S. Macdonald (Minister of National Defence): 1. The percentages of the total Canadian Armed Forces who enrolled during the following years and who had previous military service are:

Year	Officer	Other Ranks
1966	0.42 per cent	0.6 per cent
1967	0.45 per cent	0.8 per cent
1968	0.13 per cent	0.2 per cent
1969	0.17 per cent	0.5 per cent
1970 (until 31 October)	0.08 per cent	0.3 per cent

2. 1960, officers, 0.18 per cent; men, 0.3 per cent.

3. The percentages of officers enrolled in specific categories during 1970 who had previous service are: doctors, 10.0 per cent; dentists, 4.1 per cent; nurses, 0.9 per cent; lawyers, nil; graduate engineers, nil; pilots, nil.

4(a) There have been no enrollees during 1970 who had previously served in the Canadian Armed Forces and who were graduates of Canadian Military Colleges.

(b) There is no readily available method to identify serving officers or men who had previous service and who entered the service directly from university.

5. 1.9 per cent of officers enrolled during 1970 had previous service. 5.1 per cent of men enrolled during 1970 had previous service.

CANADA MANPOWER TRAINING PROGRAM

Question No. 569—**Mr. Broadbent:**

1. For each month since January, 1970, what proportion of Canada's unemployed were enrolled in occupational training programs?

2. (a) How many trainees were subsequently employed (b) how many of those that were subsequently employed held jobs for in excess of one year (c) if the answer to Parts (a) or (b) was based on a survey, what percentage of those surveyed replied?

3. (a) What proportion of entrants into the training program was previously unemployed (b) what proportion of entrants into the program had previously received occupational training?

4. How many employers had contracts with the Minister of Manpower and Immigration to provide training or retraining for workers in 1968, 1969 and 1970?

5. What different programs are provided under the Adult Occupational Training Act and what is the average cost per trainee in each?

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. Persons receiving training are not considered to be members of the labour force and the questions cannot be answered. The ratios of referrals for training, to the number of unemployed at the time of the DBS survey during 1970, are as follows: January 1970, 6.0 per cent; February 1970, 6.1 per cent; March 1970, 3.4 per cent; April 1970, 3.2 per cent; May 1970, 1.9 per cent; June 1970, 1.4 per cent; July 1970, 1.4 per cent; August 1970, 2.8 per cent; September 1970, 6.5 per cent.

2. (a) The results of a follow-up survey of trainees who completed training during 1970 are not yet available. Of trainees who completed full-time training at public institutions between January 1, 1969 and September 30, 1969, 75 per cent of respondents who looked for work were employed within three to four months. (b) Information not available. (c) 61 per cent of trainees surveyed returned replies.

3. (a) Of the persons surveyed, 68.9 per cent who commenced training during the period January 1, 1969 to September 30, 1969 were unemployed prior to commencing training. (b) Information not yet available.

4. 1968-69, 1,304; 1969-70, 3,415; 1970-71 (April to October), 1,178.

5. Preliminary figures for 1969-70 indicate the per trainee cost for full-time and part-time training for the four types of training purchase agreements is as follows:

General purchase (from Provincial institutions)	$ 983*
Apprenticeship (from Provincial institutions)	568*
Training-in-industry (Federal contribution)	177
Private schools	1,326*

*Training costs and training allowances

[Mr. Macdonald.]

*BAY OF FUNDY TIDAL POWER DEVELOPMENT—ACCESS TO STUDY PAPERS

Question No. 571—**Mr. Forrestall:**

1. With respect to Question Number 373 answered on November 30, 1970, could the government indicate, in light of the response, why the Public Records Section, Manuscript Division, Public Archives of Canada has indicated it will not allow access to such documentation and study papers i.e., The Atlantic Tidal Power Programming Board's Study Papers, until April, 1975?

2. Is there a conflict between Public Archives policy and the policy of the government with respect to these study papers and, if so (a) what is the nature of this apparent difference of opinion (b) can it be resolved so as to permit free access to the detailed documentation upon which the report of the Board dated October 31, 1969 and entitled "Feasibility of Tidal Power Development in the Bay of Fundy" was based?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Atlantic Tidal Power Programming Board recommended in its report that one copy of the records and supporting technical data and reports contained in its study office, following orderly assembly and indexing, be placed in the custody of the Public Archives of Canada to be made available to any of the subscribing governments, acting jointly or severally, in a future study of tidal power in the Bay of Fundy. This recommendation was concurred in by the government. It was considered that a five-year term of restricted access to this material was appropriate; and this term dates from April 1970, when the material was placed in the custody of the Public Archives.

The answer to the second part of the question is there is no conflict.

Mr. Forrestall: Why did you not tell me I just could not have it?

FEDERAL GOVERNMENT FINANCIAL GRANTS TO NOVEMBER, 1970

Question No. 582—**Mr. Burton:**

For each province in Canada and Canada as a whole, what is the total estimated (a) federal government financial grants (b) new employment, under the Regional Development Incentives Act of the Department of Regional Economic Expansion from the Act's proclamation to the end of November, 1970?

Mr. Martin O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion):

Province	Estimated Financial Grant (a)	New Employment (b)
Newfoundland	$ 826,446	514
Prince Edward Island	995,273	279
Nova Scotia	19,415,222	1,299
New Brunswick	15,147,577	2,285
Quebec	33,589,667	7,532
Ontario	5,525,773	1,419
Manitoba	4,902,911	1,475
Saskatchewan	1,360,690	342
Alberta	3,491,518	744
British Columbia	502,837	176
Total	$85,757,914	16,065

STUDIES RESPECTING DEVELOPMENT OF NATIONAL PARK EAST OF JAMES BAY

Question No. 585—**Mr. Laprise:**

Have there been any studies made with respect to the development of a national park east of James Bay or elsewhere in the constituency of Abitibi and, if so (a) what did these studies consist of (b) who made them (c) were they made following a request from and in cooperation with the Province of Quebec?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes, as part of a continuing process of general and preliminary studies of various areas in Canada to assess potential for parks development. (a) The studies involved map reviews and a short aerial reconnaissance. (b) They were made by the National and Historic Parks Branch. (c) No. They were made independently to ascertain if any areas might warrant joint consideration with the Province of Quebec.

SALES OF DAIRY HERDS IN ONTARIO

Question No. 614—**Mr. Nesbitt:**

1. How many sales of dairy herds producing industrial milk have occurred in Ontario since April 1, 1970?

2. How many milk quotas have been transferred as a result of such sales?

3. How many milk quotas have been retained by the government as a result of such sales?

4. What are the names and addresses of the vendors of the herds in Part 1?

5. What are the names and addresses of the transferees in Part 2?

6. What, in each case, in Part 5, is the amount of the quota transferred?

7. In Part 6, was the entire quota transferred, or was some part thereof retained by the government for future allocation?

8. (a) What is the total amount of eligible quotas retained by the government since April 1, 1970 (b) how much still remains in government hands for reallocation?

Hon. H. A. Olson (Minister of Agriculture): In so far as the Canadian Dairy Commission is concerned, the answer is: 1. The Canadian Dairy Commission does not have knowledge of all sales of dairy herds producing industrial milk. It has knowledge only of such sales with respect to which an application for the reallocation of the subsidy quotas is received.

2. From April 1 to December 11, 1970, subsidy quotas were reallocated to 3,050 parties following the purchase by them of all or part of the dairy herd of a quota holder.

3. Nil.

4, 5 and 6. To extract and compile from the individual applications the details requested would require some 700 man hours. The Commission does not have the necessary staff for this purpose.

7. The total amount of quota reallocated was 8,758,290 pounds of butterfat.

8. (a) Nil; (b) Nil.

DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS—MAN-HOURS SAVED AS A RESULT OF USE OF COMPUTERS

Question No. 625—**Mr. Robinson:**

How many man-hours have been saved as a result of the utilization of computers by the Department of Consumer and Corporate Affairs during each year since computers have been used?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Not applicable. See *Hansard* October 5, 1970, page 8744.

DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS—LAY-OFFS AND HIRINGS AS A RESULT OF USE OF COMPUTERS

Question No. 626—**Mr. Robinson:**

As a result of the use of computers by the Department of Consumer and Corporate Affairs, how many employees have been (*a*) laid off (*b*) hired?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Not applicable. See *Hansard* October 5, 1970, page 8744.

CAPACITY OF ELEVATOR SYSTEMS

Question No. 628—**Mr. Korchinski:**

1. What is the total capacity of the country elevator system?
2. What is the total capacity of the terminal elevator system?

Hon. H. A. Olson (Minister of Agriculture): 1. The total capacity of the country elevator system is 398.8 million bushels.

2. The total capacity of the terminal elevator system is 161.1 million bushels.

RETIREMENT PENSION OF FORMER PRIME MINISTERS

Question No. 635—**Mr. Mather:**

1. What, in dollars, is the present retirement pension of former Prime Ministers?

2. Does this amount include the parliamentary pension payable to Members of Parliament and, if not, what is the total retirement pension available to former Prime Ministers?

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): 1. $16,667 per annum, as indicated in the latest Estimates, and under the terms specified in the Members of Parliament Retiring Allowances Act.

2. The answer to the first part is, no. The parliamentary pension payable to Members of Parliament is under the administrative jurisdiction of the Speaker of the House of Commons.

EXPERIMENTAL FARM, SCOTT, SASK.

Question No. 636—**Mr. Diefenbaker:**

1. Is the Experimental Farm at Scott, Saskatchewan to be closed down and, if so, on what date?

2. If a decision in this regard has been made, will it be reconsidered having regard to the further representations made by the Mayor and Council of the Town of Scott and the Reeve and Council of the Rural Municipality of Tramping Lake?

3. If the closure is proceeded with, what provisions will be made for (a) staff members between the ages of 59-65 (b) other members who have built permanent homes with the understanding that they would continue in office on good behaviour until retirement age?

Hon. H. A. Olson (Minister of Agriculture): 1. No decision has been taken to close the Experimental Farm at Scott, Saskatchewan.

2. Not applicable.

3. Not applicable.

FINANCING OF CARTIER REFINED SUGARS LIMITED

Question No. 656—**Mr. Watson:**

1. Were cheques issued by the Industrial Development Bank on January 4, 1965 representing the equity portion of IDB financing of Cartier Refined Sugars Limited and, if so (a) what were the amounts (b) to whom were they made payable and, if to more than one party, for what reasons and upon whose instructions (c) was the President and Chief signing officer or the Board of Directors of the company notified (d) where and on whose behalf were they deposited (e) were they withheld from the company until after March 12, 1965 (f) what officials of IDB were involved in the transactions?

2. Did IDB consider the procedures followed with respect to the actions outlined in Part 1 irregular and (a) if so, was any disciplinary action taken (b) if not, for what reasons?

3. Is it IDB policy to assist companies in takeovers of new competitive enterprises?

Hon. E. J. Benson (Minister of Finance): 1, 2 and 3. It has not been the practice nor is it considered appropriate to answer questions concerning the internal administration of the Industrial Development Bank.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

CANADA COUNCIL EXPENDITURES ON FELLOWSHIPS AND RESEARCH AND TRAVEL GRANTS

Question No. 3—**Mr. Nowlan:**

For each of the provinces, in each of the past five years, what were the total expenditures for (a) doctoral-fellowships paid to students studying (at the time of application) in that province (b) doctoral-fellowships paid to students of home residence (at the time of application) in that province (c) doctoral-fellowships paid to students pursuing doctoral studies in that province (d) post-doctoral fellowships paid to residents (at the time of application) of that province (e) leave fellowships paid to residents (at the time of application) of that province (f) research grants of $6,000.00 or less, paid to residents (at the time of application) of that province (g) research grants of $6,000 or less, paid in that province (h) travel grants to international meetings for residents of that province, by the Canada Council?

Return tabled.

[Mr. Diefenbaker.]

NUMBER OF CANADA COUNCIL FELLOWSHIP AWARDS AND RESEARCH AND TRAVEL GRANTS

Question No. 4—**Mr. Nowlan:**

For each of the provinces, in each of the past five years, what was the number of (a) doctoral-fellowships awarded to applicants studying (at the time of application) in that province (b) doctoral-fellowships awarded to applicants of home residence (at the time of application) in that province (c) doctoral-fellowships awarded, to pursue doctoral studies in that province (d) post-doctoral fellowships awarded to applicants resident (at the time of application) in that province (e) leave fellowships awarded to applicants resident (at the time of application) in that province (f) research grants of $6,000.00 or less, awarded to residents (at the time of application) of that province (g) research grants of $6,000.00 or less awarded which were payable in that province (h) travel grants to international meetings awarded to residents of that province, made by the Canada Council?

Return tabled.

NUMBER OF APPLICATIONS TO CANADA COUNCIL FOR FELLOWSHIPS AND RESEARCH AND TRAVEL GRANTS

Question No. 5—**Mr. Nowlan:**

For each of the provinces, what was the number of applications, in each of the past five years, received by the Canada Council for (a) doctoral-fellowships from student studying (at the time of application) in that province (b) doctoral-fellowships from students of home residence (at the time of application) in that province (c) doctoral-fellowships to be held by students pursuing doctoral studies in that province (d) post-doctoral fellowships from residents (at the time of application) of that province (e) leave fellowships, from residents, at the time of application, of that province (f) research grants of $6,000.00 or less, from residents (at the time of application) of that province (g) research grants of $6,000.00 or less payable in that province (h) travel grants to international meetings from residents (at the time of application) of that province?

Return tabled.

VISUAL ARTS AWARDS, BURSARIES AND GRANTS BY CANADA COUNCIL

Question No. 7—**Mr. Nowlan:**

1. For each of the provinces, in each of the past five years, what was the number of visual arts (a) awards (b) bursaries (c) short-term grants (d) travel grants (e) materials grants, made by the Canada Council to residents (at the time of application) in that province?

2. For each of the provinces, what was the number of applications to the Canada Council, originating in that province, in each of the past five years for visual arts (a) awards (b) bursaries (c) short-term grants (d) travel grants (e) materials grants?

3. For each of the provinces, in each of the past five years, what were the total expenditures for visual arts (a) awards (b) bursaries (c) short-term grants (d) travel grants (e) materials grants, paid to residents (at the time of application) in that province, by the Canada Council?

4. What was the success rate of applications to the Canada Council in each of the past five years, for visual arts (a) awards (b) bursaries (c) short-term grants (d) travel grants (e) materials grants?

Return tabled.

WRITING AWARDS, BURSARIES AND GRANTS BY CANADA COUNCIL

Question No. 8—**Mr. Nowlan:**

1. For each of the provinces, in each of the past five years, what was the number of writing (a) awards (b) bursaries (c) short-term grants (d) travel grants, made by the Canada Council to residents (at the time of application) of that province?

2. For each of the provinces, what was the number of applications, originating in that province, made to the Canada Council, in each of the past five years for writing (a) awards (b) bursaries (c) short-term grants (d) travel grants?

3. For each of the provinces, in each of the past five years, what were the total expenditures for writing (a) awards (b) bursaries (c) short-term grants (d) travel grants, paid to residents (at the time of application) of that province, by the Canada Council?

4. What was the success rate of applications to the Canada Council, in each of the past five years, for writing (a) awards (b) bursaries (c) short-term grants (d) travel grants?

Return tabled.

EXPANSION OF GOVERNMENT OFFICE AND OTHER SPACE IN DARTMOUTH-HALIFAX EAST

Question No. 128—**Mr. Forrestall:**

By department, are there any plans to expand office and other floor space either through ownership or leasing in the constituency of Dartmouth-Halifax East in any of the next three years?

Return tabled.

RESTRICTIVE TRADE PRACTICES COMMISSION REPORTS

Question No. 196—**Mr. Saltsman:**

1. For each fiscal year 1965/66 to 1969/70, what reports of the Restrictive Trade Practices Commission have been referred to the Department of Justice for Court proceedings?

2. What reports have been brought before the Courts by the Justice Department, and in each case, what was the result?

3. For those reports by the Restrictive Trade Practices Commission referred to the Justice Department for Court action but were not proceeded with, in each case, what are the specific reasons for this action?

Return tabled.

FRED AGREEMENT BETWEEN FEDEDAL GOVERNMENT AND NEW BRUNSWICK, 1970

Question No. 226—**Mr. Burton:**

1. When was the FRED Agreement between the Governments of Canada and New Brunswick, for Northeast New Brunswick first signed, and for what period of time?

2. What are the federal and provincial contributions to this plan respectively, and what expenditures have been made to September 30, 1970?

3. When was the FRED Agreement between the Governments of Canada and New Brunswick for the Mactaquac area in New Brunswick first signed, and for what period of time?

4. What are the federal and provincial contributions to this plan respectively, and what expenditures have been made to September 30, 1970?

Return tabled.

FRED AGREEMENT BETWEEN FEDERAL GOVERNMENT AND PEI, 1970

Question No. 227—**Mr. Burton:**

1. When was the FRED Agreement between the Governments of Canada and Prince Edward Island first signed, and for what period of time?

2. What are the federal and provincial contributions to this plan respectively, and what expenditures have been made to September 30, 1970?

Return tabled.

FRED AGREEMENT BETWEEN FEDERAL GOVERNMENT AND MANITOBA, 1970

Question No. 228—**Mr. Burton:**

1. When was the FRED Agreement between the Governments of Canada and the Government of Manitoba on the Interlake area first signed, and for what period of time?

2. What are the federal and provincial contributions to this plan respectively, and what expenditures have been made to September 30, 1970?

Return tabled.

FRED AGREEMENT BETWEEN FEDERAL GOVERNMENT AND QUEBEC, 1970

Question No. 229—**Mr. Burton:**

1. When was the FRED Agreement between the Governments of Canada and the Province of Quebec in the lower St. Lawrence Gaspé and Iles-de-la-Madeleine first signed, and for what period of time?

2. What are the federal and provincial contributions to this plan respectively, and what expenditures have been made to September 30, 1970?

Return tabled.

PROFESSIONAL AND SPECIAL SERVICES, CANADIAN RADIO-TELEVISION COMMISSION

Question No. 233—**Mr. McCleave:**

What are the names of the companies or individuals, their postal addresses, the amounts received by them, and the nature of work done or service performed, in connection with the item, "Professional and special services", in the budget of the Canadian Radio-Television Commission since April 1, 1968?

Return tabled.

APPROPRIATION AND EXPENDITURE, FOREIGN AID PROGRAMS

Question No. 252—**Mr. Lewis:**

1. For the fiscal year 1970-71, what is the estimated total Canadian parliamentary appropriation for foreign aid programs?

2. For the fiscal year 1970-71, what is the estimated total actual expenditures by the Government of Canada on foreign aid programs?

3. For the fiscal year 1970-71, what are the estimated Canadian Government's foreign aid (a) allocations (b) estimated expenditures to (i) Latin America (ii) Colombo Plan (iii) Commonwealth Caribbean Assistance Plan (iv) Special Commonwealth Africa Assistance Plan (v) Independent French-speaking African States (vi) other countries?

Return tabled.

Inquiries of the Ministry

BUTTER IMPORTS SINCE 1960

Question No. 305—**Mr. Fortin:**

1. For each year since 1960, has Canada imported butter and, if so (a) in what quantity (b) by quantity, from what countries (c) at what average price (d) was this butter earmarked partly for domestic consumption and, if so, in what quantity?

2. If part of this butter was earmarked for processing to be re-exported (a) how many pounds each year (b) what plants processed the butter (c) what was the quantity processed by each plant (d) what was the cost to the government to have the butter processed (e) in what form, to which countries and at what price was the butter sold?

Return tabled.

GRANT FORMULA, POST-SECONDARY EDUCATION ADJUSTMENT PAYMENTS

Question No. 453—**Mr. Orlikow:**

1. What is the formula used in calculating the size of the federal grant to a province under the Federal-Provincial Fiscal Arrangements Act 1967 (Post Secondary Education Adjustment Payments) for universities only?

2. For each year that statistics are available, what amount has been granted to each province since the Act came into force?

Return tabled.

CBC PROGRAM CHANGES BECAUSE OF QUEBEC CRISIS

Question No. 549—**Mr. Broadbent:**

1. What programs on CBC Television have been (a) cancelled (b) postponed (c) altered, on both the French and English networks as a result of the events surrounding the Quebec crisis?

2. What was the reason in each case?

3. How many CBC employees on both the French and English networks have been (a) reprimanded (b) suspended (c) fired, since October 5, 1970, and what was the reason in each case?

4. How many persons working for the CBC on a contract basis have had their contracts cancelled or have been given notice that their contracts wil not be renewed since October 5, 1970, and what was the reason in each case.

Return tabled.

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT—NEW MEASURES TO DEAL WITH PROBLEM

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had a question for the Minister of Finance who is supposed to be in the House today, but since the Prime Minister believes that inflation has been licked perhaps it is no longer necessary for the Minister of Finance to sit in the House. In view of the Prime Minister's recognition during the Christmas recess that unemployment is now the country's number one problem, may I ask the Acting Prime Minister whether the government proposes to announce any new measures to deal with this very acute problem?

[Mr. Lewis.]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, perhaps I should remind the Leader of the Opposition at the outset that the Minister of Finance, like his predecessors including those from the Tory party, has an annual meeting with the Canadian Club of Toronto and this happens to be the day. I am sure he would wish the Minister of Finance to be there on this occasion.

May I say in direct reply that the government has a program—some of the measures are now in effect—to deal with the unemployment situation which we recognize as being serious. I hope we will have the support of the opposition in forwarding these measures as they come before the House and as they are proclaimed under existing legislation.

Mr. Stanfield: Am I to understand from the Acting Prime Minister that the government proposes to announce additional measures to fight unemployment, and if my understanding is correct may I ask when we may expect to hear these measures announced?

Mr. Sharp: The government is taking the measures that it feels are appropriate to deal with the unemployment situation. The Leader of the Opposition will recognize, of course, that the way to deal with unemployment is not to practise inflationary policies, some of which he has been advocating. If he is disappointed that we are not following his advice in these matters—

Mr. Speaker: Order, please. It seems to me we are entering the field of debate both in relation to the question asked and the answer given. The Leader of the Opposition has a supplementary?

Mr. Stanfield: I have one further supplementary question, Mr. Speaker. I had understood that inflation was licked. Therefore may I express the hope that the government will really be prepared to do something—

Mr. Speaker: Order, please.

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EXTERNAL AFFAIRS

PROPOSED SALE OF ARMS BY GREAT BRITAIN TO SOUTH AFRICA—CANADIAN SUPPORT FOR POSITION OF AFRICAN COMMONWEALTH MEMBERS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): My question is directed to the Acting Prime Minister. In view of the fact that the Commonwealth conference will begin in a few days in Singapore, may I ask the Acting Prime Minister whether the Canadian government intends to support the African members of the Commonwealth in urging Great Britain to reconsider its policy of selling military equipment to the Republic of South Africa?

Hon. Mitchell Sharp (Acting Prime Minister): I am sure that the leader of the New Democratic Party is aware of the steps the Prime Minister has been taking in this respect. Indeed, I think it is generally acknowledged that the Prime Minister of Canada has been very useful in his support of the position of the African states and

that he has warned the British government of the possible consequences of the resumption of arms shipments.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask whether the Canadian government has received any indication that the British government is likely to alter or reverse its policy with respect to the sale of arms to South Africa?

Mr. Sharp: The hon. gentleman has seen the statements made by the Prime Minister of the United Kingdom and he is free to draw the same inferences as we are from those statements.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Have any arrangements been made to have the statement of the Prime Minister of Canada at the Commonwealth conference released to members of the House soon after it is made?

Mr. Sharp: It is part of the genius of the Commonwealth that these discussions are conducted in private, and I do not think it would help if we were to turn the Commonwealth conference into a miniature United Nations.

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ST. LAWRENCE SEAWAY

REPAYMENT OF DEBT—CARR REPORT

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Acting Prime Minister.

I would like to ask him whether the Carr report has been submitted to the cabinet, whether the cabinet has examined it and whether a decision has been reached concerning the repayment or the refinancing of the debt of the St. Lawrence Seaway?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): I will take notice of that question, Mr. Speaker.

* * *

NATIONAL SECURITY

REPLACEMENT OF PUBLIC ORDER (TEMPORARY MEASURES) ACT BY PERMANENT LEGISLATION

Mr. S. Perry Ryan (Spadina): My question is for the Acting Prime Minister. Is the government preparing permanent legislation to replace the temporary public order emergency measures that are now in force?

Hon. Mitchell Sharp (Acting Prime Minister): It is the intention of the government to bring this matter before parliament in the near future.

Mr. Ryan: Is the government contemplating proceedings to have certain elements of the explosives act, the coroners act and the fire investigations act of the province of Quebec that are in conflict with the Criminal Code declared ultra vires?

Mr. Sharp: No, Mr. Speaker.

[*Later:*]

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, arising out of the reply of the Secretary of State for External Affairs concerning what the government intends to do or to place before parliament regarding the temporary powers act, may I ask whether it is the intention of the government, now that all those in the FLQ have been picked up who were suspected of wrongdoing, to have this legislation terminated?

Mr. Sharp: Mr. Speaker, it is not the intention of the government to withdraw the present legislation. The right hon. gentleman will have seen the statements made by the Prime Minister of Quebec and the Prime Minister of Canada in relation to this subject, and I have nothing to add to what they have said.

Mr. Diefenbaker: Then what did the minister mean when he said certain legislation was going to come before the House in connection with this matter? Why this aura of indefiniteness?

Mr. Sharp: Mr. Speaker, as I understood the question that was put to me it related to more permanent legislation that would give the government authority to deal with civil emergencies of a kind that perhaps would not come under the War Measures Act, or for which the government would not wish to proclaim the War Measures Act which contains powers that would not be required. My answer was to the effect that the government intended in the near future to bring this subject before parliament.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, is it the government's intention to keep the Public Order (Temporary Measures) Act in effect until such time as permanent legislation is brought before the House?

Mr. Sharp: Not necessarily, Mr. Speaker.

Mr. Hees: As a supplementary question—

Mr. Speaker: Order, please.

[*Later:*]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question for clarification to the Acting Prime Minister. When he said that the subject of permanent legislation of a public order nature would be brought before the House did he mean to imply that legislation would be introduced or simply that the matter would be put before the House in some way?

Mr. Sharp: I mean the latter, Mr. Speaker.

Mr. Stanfield: Would the Acting Prime Minister indicate to the House the manner in which the matter will be put before the House?

Mr. Sharp: Mr. Speaker, a decision has not yet been reached, and when it is it will be announced to the House.

Inquiries of the Ministry

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a supplementary question to the Acting Prime Minister. As the Prime Minister stated in an interview with the press before he left to attend the Commonwealth Conference that new, permanent legislation would be introduced to take the place of the Public Order (Temporary Measures) Act, has the Minister of Justice been directed to draw up that permanent legislation?

Mr. Sharp: Mr. Speaker, the Prime Minister did not say that and, if you will permit me, I will read what he did say.

Mr. Speaker: Order, please.

* * *

GRAIN

WHEAT—ACCEPTANCE BY RUSSIA OF REMAINING QUANTITY UNDER SALE CONTRACT—FLOUR SHIPMENTS

Mr. S. J. Korchinski (Mackenzie): I have a question for the minister responsible for the Wheat Board. Has he had any indication from the Soviet Union that they will be picking up the remainder of the wheat they contracted for under the agreements?

Hon. Otto E. Lang (Minister of Manpower and Immigration): There have been some further contacts, particularly in connection with a certain desire on the part of the Soviet Union to take some flour at this time, and negotiations in that regard are going on.

Mr. Korchinski: Are the negotiations under which the Soviet Union will be picking up some flour part of the agreement to pick up 53 million bushels of wheat?

Mr. Lang: They are properly said to be a part of the over-all long term agreement with the Soviet Union and also of the renewal of the agreement which took place a year ago.

Mr. H. W. Danforth (Kent-Essex): I have a supplementary question for the minister. Will he ensure that when negotiations are under way for the purchase of flour eastern Canada mills will be given the same consideration in regard to tendering in order that eastern wheat which meets the qualifications may be considered in such export trade?

Mr. Lang: It is very much a matter of the mills in competition for this business to arrange for its disposition. I should think that will make it possible for the mills to provide the kind of flour which is required, which I understand would ordinarily be made up of northern wheat rather than soft wheat.

* * *

EXTERNAL AFFAIRS

RESTRICTIONS ON USE OF URANIUM SOLD TO PAKISTAN AND INDIA

Hon. George Hees (Prince Edward-Hastings): My question is directed to the Secretary of State for External Affairs. Was there any difference between the restrictions placed on the use of uranium sold by Canada to Pakistan and the restrictions placed on the use of uranium sold to India, all of which has caused, as the minister knows, considerable controversy in Pakistan?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker, there are some technical differences. The arrangement with India was under a provision for bilateral inspection between India and Canada, and the arrangement that was made with Pakistan provided for inspection under the International Atomic Energy Authority. This has been the cause of some difference of view between Canada and Pakistan and Canada and India.

Mr. Hees: Is Pakistan now completely satisfied with the explanation the government has given or is there still cause for concern regarding bad relations between our two countries?

Mr. Sharp: I think the relations between Pakistan and Canada are excellent at the moment, as is confirmed by the warm reception that our Prime Minister received in Pakistan.

Some hon. Members: Hear, hear!

Mr. Sharp: But there are some difficulties, I am ready to admit, arising out of the difference in the arrangements that were made between Canada and these two countries, partly for historical reasons.

* * *

FINANCE

MERCANTILE BANK—REQUEST FOR STATEMENT ON NEW ARRANGEMENT RESPECTING CANADIAN OWNERSHIP AND INCREASE IN CAPITALIZATION

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Minister of Finance, but in his absence I would like to direct it to the Acting Prime Minister who may know something about this subject since he had to deal with it when he was Minister of Finance. I would like to ask the Acting Prime Minister a question arising out of the announcement by the Minister of Finance of a new arrangement with the Mercantile Bank extending the number of years by which time 75 per cent of its capital is to be Canadian owned, and increasing fourfold the amount of its capitalization. Would the Acting Prime Minister undertake that either he or the Minister of Finance would make a statement to the House as soon as possible giving the details of this new arrangement and the reasons which led to it?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I would be very happy to table now a copy of the statement made by the Minister of Finance on January 7, and perhaps on the basis of that there might be further questions from the hon. gentleman later.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Lewis: Mr. Speaker, I can inform the Acting Prime Minister that I have seen the press release which he is now tabling, and I am sure all other members have seen it. As a supplementary question I would like to ask him whether his answer to my first question means that he refuses on his behalf and on behalf of the Minister of Finance to make a statement on motions to the House so that we can get more details?

Mr. Sharp: No, Mr. Speaker. I will certainly suggest to the Minister of Finance, if it is the wish of the House, that he should make a statement on this important matter. Mr. Speaker, there seems to be some misunderstanding, reflected in the question of the hon. member, about a time limit being involved. There is no time limit in the legislation, and there has been no extension of time given.

Mr. Lewis: Mr. Speaker, the Acting Prime Minister's answer clearly shows that a clarifying statement would be useful. As a further supplementary I would like to ask whether the necessary Order in Council has been passed in relation to some of the details of the arrangements made with Mercantile Bank and, if so, would he table the Order in Council?

Mr. Sharp: Mr. Speaker, I will take that question as notice. I am not quite certain.

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CANADIAN BROADCASTING CORPORATION

PROGRAM "WEEKEND" AND LAPORTE MURDER SUSPECTS —AVOIDANCE OF ABUSE OF DUE PROCESS OF LAW

Mr. David MacDonald (Egmont): Mr. Speaker, in the absence of the Minister of Justice and of the new Solicitor General perhaps I could direct this question to the Secretary of State. In light of last night's trial by cartoon of the Laporte murder suspects on the CBC program "Weekend", can the minister inform the House whether the CBC is prepared to extend the self-imposed restraint it exhibited during the kidnapping crisis to avoid abusing due process of law in Quebec at this time?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I shall take note of the question, Mr. Speaker.

[*English*]

PROPOSED AM AND FM NATIONAL NETWORKS

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is directed to the Secretary of State. Has the government now determined whether the CBC should be permitted to set up AM and FM coast to coast networks and, if so, with what completion dates?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the government has no decision to make in the matter. Furthermore, the CBC advises me that a decision has yet to be reached by the corporation itself. We are dealing here with a study now under way with regard to which a decision will be made only later on.

Inquiries of the Ministry

[*English*]

STATUS OF WOMEN

IMPLEMENTATION OF COMMISSION RECOMMENDATIONS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Acting Prime Minister. As the Royal Commission on the Status of Women has made a report with 167 detailed recommendations, some of them with sweeping and important social implications for all the people of Canada, will the Acting Prime Minister tell the House what plans have been made toward the implementation of such of these recommendations as fall within federal jurisdiction?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the report of the Royal Commission of the Status of Women is under study in the cabinet. No decisions have yet been made.

Mr. Brewin: As soon as the government has decided what it proposes to do, will a statement be made to the House, and is there any minister who is particularly in charge of looking into these recommendations?

Mr. Sharp: Mr. Speaker, when the government has had an opportunity to consider these recommendations it will, of course, bring its decisions before Parliament, and must do so if they are to be incorporated in legislation. The answer to the second part of the question is that this is a matter of cabinet organization, but in fact the whole cabinet is studying the matter at the moment and specific responsibility has not yet been assigned. I may say I do not know whether anyone in the cabinet wants to be responsible for women.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I am sure women do not want to be responsible for the cabinet.

* * *

AGRICULTURE

TREE FRUIT INDUSTRY—MEASURES TO ARREST VIRUS INFECTION

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I have a question for the Minister of Agriculture and since he is not in the House perhaps I can direct it to the attention of his Parliamentary Secretary. As a result of the very serious representations that have been made to the government, will the minister inform the House if a decision has been made to make a specialist in plant pathology, and the necessary funds, available to the Harrow Research Station in an attempt to arrest the virus infection which is proving so destructive and costly to the Canadian tree fruit industry?

Mr. Marcel Lessard (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I will take this question as notice and if possible will provide the hon. member with an answer tomorrow.

Inquiries of the Ministry

CANADIAN BROADCASTING CORPORATION

REQUEST FOR INQUIRY INTO ALLEGED DISTORTION OF NEWS AND BROADCASTING OF PROPAGANDA

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State. Would the minister give consideration to setting up either a special committee of the House or a royal commission to look into the repeated allegations of bias, distortion of news, and outright propagandizing by the public affairs department of the Canadian Broadcasting Corporation? I ask this question in view of the fact that this matter has been brought up many times in the House—

Mr. Speaker: Order, please.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I believe the question has often been asked, and I have given it the only answer possible to which I refer the hon. member.

[*English*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I wish to direct a supplementary question to the government house leader, the President of the Privy Council. Would he prevail upon the Secretary of State or perhaps somebody else in the government ranks to organize the Standing Committee on Broadcasting, Films and Assistance to the Arts, which this late in the session has not yet been organized, so that the CBC and many other topical points of interest could be referred to that committee, including the matter of AM and FM networks?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I will be happy to consider this suggestion.

Mr. Baldwin: Will you allow witnesses?

* * *

POWER

SKAGIT RIVER—GOVERNMENT ACTION TO PREVENT FLOODING OF VALLEY

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Will the minister indicate to the House the steps which have been taken or will be taken by the federal government to stop the proposed flooding of the Skagit River Valley?

Mr. Speaker: Order, please. Perhaps the minister might like to reply briefly to the question, but the hon. member, it seems to me, is asking for a general statement and so the question is hardly in order. In view of the importance of the matter raised perhaps the House might consent to allow the minister to make a brief reply to the hon. member's question.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I have arranged a visit to Washington on Friday of this week. I will be accompanied by officials of the Department of External Affairs and of my own department.

[Mr. Lessard.]

INQUIRY OF THE MINISTRY

Mr. Robert Simpson (Churchill): Mr. Speaker, may I direct a question to the Secretary of State. In view of reports that the government is planning to provide $5 million for the country of Niger on the understanding that French will be made the official language of that country, would the government consider making the amount $10 million and making that country bilingual?

Some hon. Members: Hear, hear!

* * *

CANADIAN NATIONAL RAILWAYS

REDUCTION OF PASSENGER SERVICE IN NORTHERN ONTARIO

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, my question is for the Minister of Transport but in his absence may I direct it to his Parliamentary Secretary. I should like to know if the Minister of Transport will use the influence of his office to dissuade Canadian National Railways from reducing its passenger service across northern Ontario by 50 per cent as a result of its decision to cancel trains Nos. 7 and 8?

Some hon. Members: Shame!

Mr. McGrath: Remember the Newfie Bullet. Shame!

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I will be glad to bring this matter to the attention of the minister.

Mr. Penner: When the Parliamentary Secretary is discussing this matter with the minister, would he also urge the minister to instruct the Railway Transport Committee to conduct a form of public hearing into this cancellation, so that the citizens and the communities affected may know—

Mr. Speaker: Order, please. The hon. member for Saint John-Lancaster.

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NATIONAL DEFENCE

DESTROYER CONSTRUCTION PROGRAM—ADDITIONAL COST

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of National Defence. Can the minister say when he will have official figures ready on the spillage taking place in the shipbuilding program on the St. Lawrence?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, I think the word should be "slippage". I expect they will be available to the House by the middle of next month. I would hope to have an opportunity of discussing this matter in more detail with the Standing Committee on External Affairs and National Defence.

Mr. Bell: Mr. Speaker, may I ask a personal question of the minister. Has he had to have his seat moved next to that of the former Minister of National Defence so that he may learn how to wreck what is left of the department?

YOUTH

INQUIRY AS TO TABLING OF TASK FORCE REPORT AND INTRODUCTION OF LEGISLATION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, may I direct a question to the Minister without Portfolio from Scarborough. Since the report of the Task Force on Youth is being studied by the cabinet, can the minister indicate to the House when he expects to table it in the House and whether we can expect any legislation?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, the minister responsible for youth policy is the Secretary of State.

An hon. Member: Heaven forbid!

Mr. Nystrom: Mr. Speaker, may I direct my question to the Secretary of State. When can we expect the report of the Task Force on Youth to be tabled in the House, and can we expect any legislation to follow?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the Task Force on Youth gave me a preliminary report on its work about three weeks ago. We are expecting a final report and as the hon. member may well imagine, the government will have to make its own study of the report before saying when it will be tabled and possibly published.

[*English*]

Mr. Baldwin: By that time our present youth will be the aged.

Mr. Nystrom: Can the Secretary of State say that the House will have this report in its hands before the summer rush for student employment?

Mr. Baldwin: That would be "student unemployment". That is the phrase the hon. member used previously.

[*Translation*]

Mr. Pelletier: Yes, Mr. Speaker.

* * *

[*English*]

MANPOWER

INTRODUCTION OF PROGRAMS FOR UNEMPLOYED YOUTH

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I direct a related question to the Minister of Manpower and Immigration. In light of the prevalence of statements regarding the potential of prospective programs for unemployed students this summer, can the minister say whether such programs are going to be introduced for the unemployed young people now and, if not, why not?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the question of special programs is under review. A review is taking place of the success of the programs which were instituted last year. When it is possible for the government to reach a decision on the course of action for the future, it will be announced.

Mr. Crouse: Mr. Speaker, may I ask the minister if there is any truth in the front-page report in the *Globe and Mail*—

Mr. Speaker: Order, please.

[*Later:*]

PROVISION OF SUMMER STUDENT MILITIA PROGRAM

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I have a supplementary question for the Minister of Manpower and Immigration. In his consideration of the reintroduction of student employment programs for next summer, will the minister consider the student militia program? Also, will he consider doubling the quota in order that it will be available to a much larger segment of the population?

Hon. Otto E. Lang (Minister of Manpower and Immigration): As I stated earlier, Mr. Speaker, the matter of what policy should be implemented is under consideration. When a decision has been reached, it will be announced.

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NATIONAL AND ROYAL ANTHEMS

INQUIRY AS TO INTRODUCTION OF LEGISLATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I say that I have enough faith in the Minister of National Defence and his intelligence to believe that he will not be persuaded by his new seatmate. My question is directed to the Government House Leader. It seems, Mr. Speaker, that I have been asking this question several times a year from year to year. Could the Government House Leader now give some indication to the Canadian people of when we might expect legislation dealing with our royal and national anthems, so that we can have in the public realm this type of symbol of our nation?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I realize that the hon. member raised this question some time ago. I have had some communication with the Prime Minister as to how we propose to proceed or might proceed in dealing with the subject matter during the present session. That discussion has not been completed yet but the matter is really under active consideration.

Mr. Forrestall: In his discussions with the right hon. gentleman, could the Government House Leader pursue the matter along the lines of separating the two anthems and not necessarily bringing in one bill dealing with both?

Inquiries of the Ministry

VETERANS AFFAIRS

WAR VETERANS ALLOWANCES—PROVISION TO RECIPIENTS OF BENEFIT OF ESCALATION PENDING NEW RATES AND CEILINGS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. Can the minister say whether the necessary order in council has been passed, one similar to those of the last two or three years, so that war veterans allowance recipients who are also receiving the guaranteed income supplement will obtain the benefit of the escalation which will be in effect for the next three months, pending the new rates and new ceilings which are to come into effect in April?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Not yet, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Is consideration being given to this being done before the January cheques go out?

Mr. Dubé: Yes, Mr. Speaker. It is under consideration at the present time.

[*Later:*]

Mr. John Burton (Regina East): Mr. Speaker, my supplementary question is for the Minister of Veterans Affairs. Will the minister consider forgoing the reduction in war veterans allowances of 21 cents in some cases and 42 cents in many other cases as a result of changes in the old age pension legislation, since the administrative cost of making such changes would be much greater than the actual reductions in expenditure in many cases?

Mr. Speaker: Order, please. The hon. member's question is being put as an argument.

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CANADIAN WHEAT BOARD

INQUIRY AS TO REPORT ON OPERATIONS—AVAILABILITY TO PUBLIC

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I direct my question to the Minister of Manpower and Immigration who is in charge of the Canadian Wheat Board. Has the commission set up to study the operations of the Canadian Wheat Board turned in its report? Also, is it the intention of the government to make that report public?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I understand that the report has either been received or will be received before very long. Of course, the report is a report to the Canadian Wheat Board. I, personally, will be awaiting it with interest.

Mr. Horner: Mr. Speaker, the latter part of my question was not answered. Perhaps the minister did not hear that part of my question. Do the minister and the government intend to make this report public so that the farmers may be able to understand the operations of the Wheat Board which handles their very vital product?

[Mr. Forrestall.]

Mr. Lang: Mr. Speaker, the report, as I said, is a report to the Wheat Board. I would want to discuss this matter with them. I presume I will be able to do that soon after they have received the report.

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[*Translation*]

NATIONAL SECURITY

PAYMENT BY QUEBEC FOR SERVICES OF ARMED FORCES

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I wish to direct a question to the Acting Prime Minister. Could he indicate to the House whether the government has decided who will pay the expenses incurred by the Armed Forces to maintain order in Quebec since the October crisis?

[*Later:*]

Mr. Speaker, the Acting Prime Minister seems to have the answer. Could he give it to us.

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, at one time when this question was asked the Prime Minister said there would be no difficulty in reaching a decision. As far as I know, none has yet been reached.

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FISHERIES

OPENING DATE OF SEAL HARVEST

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Can the minister say if he has yet established the opening date for the seal harvest off the east coast?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, this date will be announced shortly. At the present time it is under discussion with the industry.

EXTENT OF CANADIAN SEAL QUOTA

Mr. John Lundrigan (Gander-Twillingate): I have a supplementary question with regard to the seal fishery. In light of the 100,000 seal quota for Norway and 100,000 seal quota for Canada, are the 50,000 seals taken in the gulf included as part of Canada's harvest in the international seal fishery, which would mean that we are getting gypped by 50,000 seals?

Mr. Speaker: Order, please. The hon. member will recognize that he has put his question in the form of an argument. As such it is not in order. Perhaps the hon. member might like to rephrase his question.

Mr. Lundrigan: Are the 50,000 seals from the gulf harvest part of Canada's total quota of 100,000 seals? I ask this question in view of the fact that we only closed the gulf area as part of Canada's waters about one month ago.

Hon. Jack Davis (Minister of Fisheries and Forestry): My understanding is that the gulf is an area exclusive to Canada and that the division is made in international waters off the Labrador front.

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REGIONAL ECONOMIC EXPANSION

SPECIAL PLAN FOR RURAL NEWFOUNDLAND

Mr. Frank Moores (Bonavista-Trinity-Conception): I have a question for the Minister of Regional Economic Expansion. Has the minister's department prepared a special plan for rural Newfoundland to include those areas not presently included in the special areas legislation?

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, Mr. Speaker.

Mr. Moores: A supplementary question. The premier of Newfoundland has announced that there will be a special plan, Mr. Speaker. Has the premier of Newfoundland advised the minister of this?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, as I have often said permanent negotiations are carried on in this connection with the various premiers and as soon as we come to an understanding the House will be informed.

* * *

[*English*]

FISHERIES

AGREEMENT WITH SOVIET UNION RESPECTING FISHING OFF PACIFIC COAST

Mr. Thomas S. Barnett (Comox-Alberni): I have a question for the Minister of Fisheries and Forestry. Will the minister advise where matters now stand with respect to the conclusion of the two-year interim agreement with the Soviet Union with regard to the west coast fisheries? What further steps have to be taken in order to bring about the final completion of this agreement?

Mr. Speaker: It seems to me that this information might better be given to the House by way of a general statement on motions. However, the minister might like to reply briefly to the question.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we have a delegation in Moscow at the present time. The main purpose of the meeting with the Soviet government is to sign the agreement which was negotiated late last fall with the support of the industry.

Inquiries of the Ministry

REFERENCE OF AGREEMENT WITH SOVIET UNION TO COMMITTEE

Mr. Frank Howard (Skeena): Earlier I asked the minister a question with respect to the meetings at which this draft agreement was negotiated. At that time the minister was asked in the House whether he would take steps to have the two draft agreements, I believe, referred to the standing committee for examination. He said he would gladly do that. Can the minister inform us when this will be done?

Hon. Jack Davis (Minister of Fisheries and Forestry): Immediately after it is signed, Mr. Speaker.

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WELFARE

GOVERNMENT GRANT TO CONFERENCE ON POVERTY

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a question for the Minister without Portfolio. Has the minister's department in any way subsidized the conference on poverty?

Hon. Robert Stanbury (Minister without Portfolio): The citizenship branch of the Department of Secretary of State made a grant of $5,000 as part of the financing of the conference in Toronto, if that is the one to which the hon. member is referring.

Mr. MacInnis: A supplementary question. Since there has been a grant of $5,000 made to this conference, will the government provide the House with the names of the organizations or individuals who made this request to the government?

Mr. Stanbury: I can certainly convey that information to the hon. member in so far as it concerns the citizenship branch.

Mr. MacInnis: The minister indicated that he will convey that information. Will he do it at once, please?

Mr. Speaker: I hope the hon. member is not suggesting these names should be given at this time to the House.

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GRAIN

BARLEY—ACCEPTANCE OF CERTAIN GRADE AS FEED

Mr. Craig Stewart (Marquette): I wish to direct my question to the minister in charge of the Canadian Wheat Board. Because of complaints by western farmers that at many delivery points barley graded as 3 C.W. is being accepted as only No. 1 or No. 2 feed, which affects the price by at least ten cents a bushel, what action does the government plan?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, if the hon. member will give me details of the charges he is making, I will be glad to have them investigated.

Inquiries of the Ministry

YOUTH

ALLEGED FREE BUS TRANSPORTATION FOR TRANSIENTS—CONSIDERATION OF PROGRAM BY HOUSE

Mr. Lloyd R. Crouse (South Shore): I wish to direct a question to the Acting Prime Minister in connection with the youth program. When the $50 million youth program, which includes provision for a fleet of 25 buses to carry young transients across the country without charge, is finalized, will this matter be brought before the House for consideration?

Hon. Mitchell Sharp (Acting Prime Minister): As far as I know, Mr. Speaker, these are purely speculative stories to which the hon. member is referring.

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REGIONAL ECONOMIC EXPANSION

MONTREAL—APPLICATION BY CITY UNDER AMENDED INCENTIVES ACT

Mr. James A. McGrath (St. John's East): I wish to direct a question to the Minister of Regional Economic Expansion. Are any applications pending or currently in the process of being approved from the city of Montreal under the recent amendments to the Regional Development Incentives Act?

Mr. Speaker: I think that a question of that kind should be in writing and placed on the Order Paper. I doubt whether it is in order to ask of a minister from day to day whether applications have been received from different regions affected by the law. I think it would be better if this question were put in writing but if there is urgency, the hon. member may give the usual notice to discuss the matter at the time of adjournment.

Mr. McGrath: On a point of order, Mr. Speaker, my question was prompted by the urgency of the unemployment situation in Montreal which originally prompted the amendments to the Act.

Mr. Speaker: Order, please. That, of course, is not a point of order. The hon. member is arguing the urgency of the matter. The Standing Order is designed to cover this type of situation. If the hon. member thinks there is urgency, his recourse is to suggest that the matter be considered at the time of adjournment.

Mr. McGrath: I accept your Honour's invitation.

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YOUNG OFFENDERS ACT

SUGGESTED WITHDRAWAL OF LEGISLATION FOR REDRAFTING

Mr. Frank Howard (Skeena): I have a question for the Acting Prime Minister. Since the Canadian Mental Health Association has validly and seriously attacked the fundamentals of the young offenders bill, C-192, and since a new minister is occupying the portfolio concerned, will the government consider withdrawing the bill in order that it might be redrafted more in line with common sense?

Mr. Speaker: Order, please.

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AGRICULTURE

ACTION TO CONTROL OUTBREAK OF RABIES IN WESTERN PROVINCES

Mr. Don Mazankowski (Vegreville): In the absence of the Minister of Agriculture I will direct my question to his Parliamentary Secretary. It is in connection with the current outbreak of rabies in western Canada. What measures is the federal Department of Agriculture undertaking to counteract and control the current outbreak of rabies that is affecting the western provinces?

Mr. Marcel Lessard (Parliamentary Secretary to Minister of Agriculture): I thank the hon. member for his question. I will bring the matter to the minister's attention. I hope a proper answer can be provided on Thursday.

Mr. Mazankowski: Is the federal government prepared to provide full compensation to the owners for the loss of any animals caused by contracting this disease?

Mr. Speaker: Orders of the day.

[*Translation*]

GOVERNMENT ORDERS

PENSION ACT AND CIVILIAN WAR PENSIONS AND ALLOWANCES ACT

PROVISION OF INCREASES IN BENEFITS

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): moved that Bill C-203, to amend the Pension Act and the Civilian War Pensions and Allowances Act, be read the second time and referred to the Standing Committee on Veterans Affairs.

Mr. Speaker, just over a year ago I had the privilege of making public a white paper on veterans pensions, setting forth the views of the government on the recommendations of the Woods Committee for amending the Pension Act. The white paper was extremely well received, both by veterans and the general public. I am delighted to be speaking at this time on a bill designed to incorporate into the Pension Act almost all of the proposals we made in the white paper. Some have been amended, some have been expanded and several have been enriched.

On December 2 last, this bill was tabled in the House for first reading. It was most satisfying to read in the press the next day that the National Association of Veterans Organizations had expressed its satisfaction with

the scope of the legislative changes which are included in the bill.

Besides, the *Legion*, which is the national publication of the Royal Canadian Legion, in an issue which came out during the weekend, was entirely of that opinion.

Before commenting on the provisions of the bill, Mr. Speaker, I think it would be appropriate to make a few remarks about veterans pensions and the recipients themselves; why they receive them and why we award them.

There are nearly a million veterans in Canada today. They represent the contingents of Canadians who fought in the South African campaign, in World Wars I and II, in Korea and in other United Nations peace-keeping operations. Fortunately most of them do not bear any visible scars from combat but there are many who do. There are also, left behind, many widows, mothers, sons and daughters of those who made the supreme sacrifice. These are the people for whom this bill has been written. There are 133,212 veterans and 29,100 dependents in receipt of pensions as a direct result of death, or disability, arising out of military service; 37,000 of these pensioners are survivors of World War I and 125,000 are World War II veterans and their dependents.

[*English*]

It was the Canadian fighting men in the first world war who, a few short years after Confederation, brought Canada from a boisterous youthfulness to sinewy maturity. More than 53 years ago, on an April morning on the slopes of Vimy Ridge, they carved, with their bayonets, the name of Canada into the granite monuments to sacrifice. They brought Canada into full-fledged nationhood so meaningfully and so forcefully that this country was included as a signatory to the Treaty of Versailles.

A generation later, legions of Canadians again answered their country's call to arms and, like their fathers before them, sprang to its defence with a fearless defiance. They fought and died for the freedom of Canada. They fought because their institutions and ideals were threatened. They fought against philosophies which were antagonistic to our way of life and to our democratic institutions. And they fought for those ideals in faraway and forbidding places. They fought, and some of them died, in the cold, dark, winter nights in the North Atlantic; in Hong Kong, Italy, Normandy and the low countries; in the dull, smoky skies over Germany and even in the steaming jungles of Burma.

[*Translation*]

It is for these men, their families and the dependents of those who have died, that my department exists. It is for these men that successive Canadian governments for 50 years have sought to keep pensions, allowances, medical treatment, education and training, up to date with the changing times and circumstances. It is for these men that this government is introducing this bill.

The Pension Act has been the cornerstone of the Veterans Charter for half a century. It is the main legislation through which Canada recognizes her obligation to compensate for disability and death in so far as it is possible to equate monetary compensation with human suffering and bereavement.

The Pension Act provides not only for the payment of pensions to the disabled veteran but also to his widow and orphans and to his dependent parents, sisters and brothers. Pension entitlement can also make the recipient eligible for other benefits such as medical treatment, war veterans allowances, special re-employment training, funeral and burial grants and, after his death, advanced educational assistance for his dependent children.

Mr. Speaker, in all stages of the work leading to the presentation of this new bill, which incorporates such a massive overhaul of the Pension Act, the keynote was flexibility.

[*English*]

This flexibility was deliberately built into the whole procedure by the use of the white paper technique which invited dialogue and input from the people most vitally concerned, the veterans themselves. Their enthusiastic participation in this dialogue is a credit to the technique and to themselves. It is also a tribute to the open-door policy adopted by the Standing Committee on Veterans Affairs. The standing committee listened diligently, conscientiously and patiently and came up with a most valuable report. I have previously spoken about the dedication of the members of the standing committee and the wisdom and scope of their recommendations. I can only repeat my appreciation of their meritorious services.

There are so many benefits in this bill that I shall not attempt to describe them all in detail at this time, but I am very anxious to explain the five most important ones. There are some changes and innovations which will affect more veterans than others; and there are some which will have a more immediate effect on those veterans whose hardships are more extreme than others.

• (3:20 p.m.)

The first major new proposal which I should like to explain is the exceptional incapacity allowance. This new benefit refers to certain 100 per cent pensioners who suffer extraordinary physical, social and psychological impairments and who, because of the nature of their disabilities, are exceptionally incapacitated. They may be living in a helpless condition or be in constant pain and discomfort. Their disability might be causing loss of enjoyment of life and could even shorten their life expectancy.

There are nearly 5,000 pensioners in Canada today who are classified in the 100 per cent pension category and the capacity of many of them to enjoy life is materially lessened as a result of their service-related disabilities. I would like to mention at this point that the philosophy or intent, of instituting additional allowances of this kind was shared by members of the Woods committee, the government's white paper and by all the veterans associations that appeared before the committee, and is included in this bill.

You may remember, Mr. Speaker, that the white paper proposed to recognize this exceptional burden of disablement by making an annual allowance of not less than $400 and not more than $1,200 for specified amenities for the exceptionally disabled, 100 per cent pensioner. You will see in the proposed new legislation that the government has not only maintained its support of this philosophy but it has doubled the amount of the allowances proposed in the white paper, thus responding to the recommendations of the veterans affairs committee.

The minimum and maximum allowances, as proposed in this bill, are $800 and $2,400 per annum. While these allowances will normally be paid on a monthly basis, they may also be made in lump sums for specified amenities to relieve pain and discomfort and to increase, as far as possible, the enjoyment of life for the pensioner. This new exceptional incapacity allowance is, of course, in addition to any other allowances to which the pensioner is already entitled by the act and will be tax free.

The second important new clause I wish to speak about relates to the proposed pension review board. This part of the bill was given intense and painstaking study by every group and body involved in the overhaul and restructuring of the Pension Act. The students of veterans legislation agree that this proposal is the key change in this up-dating of the Pension Act.

The Woods Committee had urged that appeals of Canadian Pension Commission decisions should be subject to consideration by a completely independent body, whereas the white paper proposed another version which, while similar in principle, was different in structure. The veterans organizations at first concurred with the proposal made by the majority of the Woods Committee but they subsequently modified it considerably. The proposal which is now delineated in this bill is that recommended by the Standing Committee on Veterans Affairs and demonstrates again the flexibility of the government's position under the white paper technique.

The Pension Review Board which is now proposed will be a new and independent body and will consist of a chairman and four other members appointed by the Governor in Council. This will provide the veteran who is dissatisfied with a previous ruling of the pension commission with a new and improved adjudicating process for an appeal to a higher and independent body.

Under the proposed procedure, the Commission will continue to be responsible for the first two levels of adjudication, as at present, but the Pension Review Board will function as a final court of appeal for all pension claims and will be the final authority on the interpretation of the legislation.

[*Translation*]

Mr. Speaker, it is essential that all decisions concerning veterans be made with the utmost fairness and with scrupulous impartiality. I am convinced this has always been the case but I am wholeheartedly in favour of any change in the legislation which will solidify this impression in the minds of the veterans and the general public.

The third change in this new bill, to which I would like to draw your attention and which is indicative of progress in this area, concerns the creation of a new agency called the Bureau of Pensions Advocates. This Bureau will be independent of both the Department of Veterans Affairs and the Canadian Pension Commission, and will be directly responsible to the Minister.

For the past 40 years or so, the veteran who so wished was entitled to free legal assistance for the preparation and presentation of his application for pension.

It is the Veterans Bureau, a branch of the Department of Veteran Affairs, which puts free of charge at the disposal of veterans this legal assistance service. Such administrative dependance of the Veterans Bureau upon the department or the Canadian Pension Commission has sometimes led to misunderstanding about the role and the allegiance of the Veterans Bureau.

Therefore, the government has thought that it was absolutely necessary to dispel any impression that the Veterans Bureau does not always stand up for the veterans. It is therefore proposed to give this agency the new name of Bureau of Pensions Advocates and to make it, under the act, a separate and independent agency, somewhat in the manner of the Canadian Pension Commission.

In addition, the relation between the new Bureau and the pensioner will be the same as that existing between a lawyer and his client, which means, in practice, that the Bureau will no longer be obliged to convey to the Commission all the information it has on its client.

[*English*]

The fourth feature in the new act, to which I want to draw particular attention, deals with an area of pension legislation which has always created problems. I am referring to that section of the act which, over the years, has come to be known as the "benefit of doubt" section. This section has application to every facet of pension adjudication. Almost every time the Pension Act has been amended the wording of this section has been subjected to lengthy debate and it has been rewritten several times. Its vagueness has led to many interpretations.

Although the "benefit of doubt" was written into the Pension Act many years ago, "doubt" in this context meant different things to different people. We have now specifically defined what it means. We have now identified the guidelines for both claimant and adjudicator. The onus on the applicant will be less stringent than it is in the ordinary civil courts of the country. It will not be necessary for a pension applicant to establish his case by a preponderance of evidence. It will be sufficient for the veteran to produce credible evidence that is not contradicted. Furthermore, the adjudicating authority must draw every reasonable inference in favour of the applicant. Simply stated, this means that in any case in which any reasonable doubt exists, and in which any credible evidence is not refuted, the claim must be resolved in favour of the veteran.

• (3:30 p.m.)

A fifth impressive innovation in the Bill is also a completely new part of the Act. It is designed to recog-

nize the special situation of those who suffered as a result of being taken prisoner by the Japanese in Hong Kong on Christmas day, 1941. The exceptionally rigorous and debilitating conditions that marked their almost four years of captivity have left an imprint of misery on this group in a way never before experienced by other Canadian veterans. The nature of their disabilities is so unique that the government has proposed special legislation to provide a minimum pension of 50 per cent for all Hong Kong veterans who make application and have an assessible degree of disability. This will, of course, make their dependents eligible for survivor pensions in the event of their death.

This new part also makes provision for the widows and dependents of those Hong Kong veterans who died prior to the effective date of this Act. Their deaths will be presumed to be attributable to their service, thereby making their widows and dependents automatically eligible for survivor pensions. With the enactment of this proposal, the Hong Kong veterans will have finally achieved the special recognition they have sought for the past 25 years.

When I had the honour of addressing the annual meeting of the Hong Kong Veterans in Toronto last summer, I confessed to a special feeling for the men of C-Force; the Winnipeg Grenadiers and the Royal Rifles of Canada. Perhaps, as minister for all veterans, I should not have made this confession, but many members of the Royal Rifles came from my home territory of the Restigouche- and Matapedia valleys, and I can still remember the great grief and sorrow which swept the countryside when Hong Kong fell back in 1941, near Christmas.

Another comment I made at that same meeting in Toronto was the hope that this new legislation could be introduced during this session. I am most happy that this hope has come true. This legislation will apply not only to the Hong Kong Veterans and their survivors, but to all Canadian veterans who were captured by the Japanese in the Pacific theatre of war and who were held prisoners for a year or more.

[*Translation*]

Mr. Speaker, these are the five most significant and advanced changes we propose to incorporate into the Act. There are many other new sections which will enhance and enrich the rights and benefits extended to our Canadian veterans and their dependents. I would like to deal briefly with some of these.

The section, in the present Act, dealing with military service in peacetime and in the militia will be clarified by the introduction of guidelines which define military duty. These guidelines will spell out, for pension purposes, the various activities in which members of the forces participate.

Clothing allowances for bilateral amputees will be increased and provision will be made for special allowances to those pensioners who require specially made clothing or apparel due to the nature of their disabilities.

We are proposing additional pensions for those who might suffer the loss of a paired limb, or organ, from any cause whatever. In other words, if a veteran was in receipt of a pension for the loss of a leg as a result of military service and subsequently lost his other leg in an automobile accident he will be entitled to an additional pension amounting to 50 per cent of the normal assessment for the loss of the second leg.

Provision is being made for posthumous assessment where pension was paid at less than 48 per cent at the time of death to determine whether the disability was fully assessed at that time. This may, in some cases, entitle the widow, children or other dependents, to receive survivor benefits.

Another new clause proposes to allow additional pension awards to a member of the forces who suffers an additional disability that is wholly, or partly, a consequence of the disability for which he is already receiving a pension. His right to additional pension in respect of a consequential disability will no longer be denied simply because he engaged in an activity which he ought to have known could cause additional disablement.

We are broadening the legislation regarding the payment of attendance allowance to provide that the allowance will be payable during the month of admission and during the following month of hospitalization.

We are proposing to amend the act so as to extend from twelve months to three years the retroactive period for which a pension may be granted.

I would like to point out that the government is also planning to institute several changes in pension procedure which will not require legislative action but which will have beneficial financial implications for the veteran.

[*English*]

For example, the stabilization of pensions for World War I veterans was effected in 1948. We now propose to stabilize pensions arising out of service subsequent to the First World War. This means that any pensioner who reaches, or has reached the age of 55, and whose pension has been unchanged for three years or more, will not have his pension reduced even if his condition should improve.

Other recommendations, already accepted but not requiring amendments, include an increase in the attendance allowance for the totally blind to the maximum rate of $3,000 per year; the increase of the attendance allowance for the bilateral Symes amputee to $1,200 per year, and the discontinuance of the deduction of $15 per month from the pensioner's treatment allowance whenever he is admitted to hospital. These changes will be implemented at about the same time this bill is given Royal Assent. It is the government's intention to refer this bill to the Standing Committee on Veterans Affairs. I will, of course, be available to appear before that committee along with officials of my department and of the Canadian Pension Commission.

As hon. members know, the terms of reference of the Woods Committee did not include pension rates as set forth in Schedules A and B of the Pension Act. However, hon. members will recall that I announced an increase in

pension rates in this House on December 2 last. This is the fourth increase in the basic pension disability rate in the last seven years. The first increase amounted to 10 per cent and was granted in 1964. There was an increase of 15 per cent in 1966 and a further increase of 15 per cent in 1968. The latest increase of 10 per cent, which is effective April 1, results in an actual pension rate increase of 55 per cent over the last seven years as compared to the consumer price index rise of just over 26 per cent during the same period. The percentage increase is, of course, compounded, but when we transfer these percentages into dollars we see for example that the 100 per cent pensioner with a wife will now receive $4,464 per annum compared to the $2,880 he received seven years ago.

• (3:40 p.m.)

The government is proud of this new bill, designed as it is to give the disabled veteran and his family a package deal in pension benefits. The complete revamping of the Pension Act, and the increases in pensions which we are proposing, are synchronized with the social and economic conditions of today. The commitment of the Canadian people and the government to those who forged the steel of this country's character on the anvil of war will forever endure.

At the Dominion Convention of the Royal Canadian Legion in Ottawa last summer I stated that the most important improvements in veterans legislation since the end of the Second World War would be presented to this session of Parliament. I made that same promise to the Hong Kong Veterans Convention in Toronto and to the Army, Navy and Air Force Veterans Convention in Vancouver. This bill is the fulfilment of that promise. I am confident that the hon. members of this House will want to give it their support.

Mr. McCleave: May I ask a question of the minister, Mr. Speaker? Do I understand correctly that the burden on the veteran who seeks a disability pension is that he must simply establish his case on a preponderance of the evidence rather than establish his case beyond a reasonable doubt? What is the philosophy in that regard? I am sorry; I tried to listen carefully to the minister at this point but was not able to be sure what he meant. Would the minister indicate what the philosophy is.

Mr. Dubé: Mr. Speaker, I was trying to say that the burden on the veteran will be much lighter than it is in criminal or civil courts. As you know, in the criminal courts the Crown must establish proof beyond any reasonable doubt. In a civil court, the plaintiff must introduce a preponderance of evidence in order to have a decision in his favour. With reference to a veteran, we propose that so long as he is able to adduce credible evidence, and that evidence is not rebutted, the case must be decided in favour of the applicant.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I was quite pleased to hear the minister's comments and the announcements he made. Although I congratulate him now, I hope he will not be too harsh with me when he hears the criticisms I have in respect of certain areas. I wish to say I was pleasantly surprised to find that the first item of business to come before the House at this part of the session deals with the second reading of Bill C-203 to amend the Pension Act and the Civilian War Pensions and Allowances Act. This certainly is as it should be. When I rose on a point of order on December 18 before Christmas and asked the President of the Privy Council (Mr. MacEachen) whether he would assure the House that this bill would be called on a priority basis, little did I realize I had made such an impression that the bill would be the first item called. I extend my thanks to the President of the Privy Council, to the Minister of Veterans Affairs (Mr. Dubé) and probably to the chairman of the Veterans Affairs Committee, whom I also wish to congratulate upon his appointment to the position of party whip.

Some hon. Members: Hear, hear!

Mr. Marshall: I am sure that all others who are particularly interested in veterans affairs, both in this House and across the country, are pleased we are now making some real progress instead of dragging our feet as so obviously has been the case over the past many months. At this point in time, when the veterans of the first World War are in the age bracket of around 75 and 77, I am not sure that we who are supposed to govern can ever regain the confidence and trust of the many thousands of veterans who have looked to us, and to those who have gone before us, for a continuing appreciation of what we owe those who sacrificed so much. It will always be a wonder to me how this government can so lightly treat its responsibility to those war veterans who are incapacitated, especially at this point in time when a great many of our veterans are in the twilight years of their lives. We have dragged out the deliberations on the Woods Committee report and the production of this legislation. Over two years have passed, and we are now only at the second reading stage of the bill.

I can well remember the deliberate delays and then the tales of woe which were given as reasons for those delays. There was the five week delay last year when the chairman of the committee was absent, and yet the deputy chairman sat in his place in the House. Is it not strange that with over 20 Liberal members on that committee, in the opinion of the government not one had the ability to chair the meetings of the committee other than the appointed chairman. Then, we had the excuses about printing, translation and the wheels of justice turning slowly. In my opinion we have here more clerical, administrative, legal and translation staff than anywhere else or in any government in the world probably, aside from the U.S.A. If the reasons given were just, then we certainly must review this government's capability in this field because something is drastically wrong.

Since I have been associated with the Veterans Affairs Committee I have communicated with many veterans across this country, not only the many who have written me asking for help in respect of their applications for

assistance under the various provisions of the act but also many who were not asking for help but who were trying to help others. It was very interesting to find that not one of these veterans shouted with joy at the announced increases in respect of the disability allowances or pensions. I am sure the minister, and other members on the committee from the government side of the House, must have received some reaction from war veterans in their constituencies and from branches of the various veterans organizations. I would be very pleased to have copies of any letters which were complimentary to these announced increases. I am sure the minister will direct his public relations department to give me a list of those who directed accolades to his department.

Certainly, the recognition by the Legion and the standing ovations the minister received would indicate that the veterans organizations are very happy both about the announced increases and some of the amendments to the veterans legislation arising out of the recommendations in the committee's report. So I can only conclude that there are two distinct groups of veterans in this country of ours. I hope that with more experience I can find out more about this fact of life, so that I may overcome the frustration which has been building up inside me since I occupied a seat of responsibility in Parliament.

Under the War Veterans Allowance Act a single veteran receives $105 per month. If he will really be happy with $120.75 a month, then I am wrong, especially when the poverty line recognized by the Dominion Bureau of Statistics indicates that he needs around $162 per month. If a married veteran receiving the present combined rate of $175 will now be able to live in this day of inflation on $201.75 per month, when the Dominion Bureau of Statistics poverty line indicates that the sum of $270 per month is necessary to clothe and educate his family, then I will admit I am wrong again. It would seem, therefore, that someone with responsibility for disabled veterans is not being too straightforward concerning the objectives. Some persons somewhere with directive capacity, who could bring pressure to bear on the decisions of government are impeded in their thinking. These are the people on whom veterans depend for their care and welfare.

In this connection, too, I intend to find some answers in the coming months of the session.

For some strange reason this government, until this year of concentrated pressure, has been so bound by its one-track mind concerning what the priorities of this nation really are that it has completely ignored the plight of those burnt-out veterans who receive assistance under the War Veterans Allowance Act and is granting a negligible 15 per cent increase. I say we owe these veterans an increase of at least 4 per cent a year over the past five years to cope with the recognized average increase in the cost of living. This would be 20 per cent. Really, if the government were to follow its own restrictive guideline in respect of increases in wages and prices, the increase should be 6 per cent per year over five years, especially at a time when most of these veterans are in the 75 or over age bracket. I say further that the increases should have been made retroactive for at least one year, which is certainly not unreasonable or at least the increases should have been made effective immediately on their announcement.

• (3:50 p.m.)

Why consideration was not given to orphans of veterans and to associated income ceilings is not very easy to understand. Can the orphan or his guardian manage to continue normal care on $60 a month or, in the case where there are three orphans, on a combined total of $141 a month?

There are other areas of concern within the War Veterans Allowances Act which must be revised. One of the most important pertains to eligibility. I refer specifically to the section in the act which provides that a veteran must have served in the United Kingdom during world war I for at least 365 days prior to 12 November, 1918, including sailing time between Canada and the United Kingdom. So much could be done for the few veterans in this category who are in the late years of their life if this qualifying period were reduced, even the very few who are restricted by the lack of a few days of service.

There is no reason why consideration should not be given, after so many years, to offering relief to war veterans allowances recipients in the area of casual earnings. I refer in this regard to cases where recipients may have casual earnings of up to $800 a year for single persons and $1,200 a year for married persons without their allowances being reduced. We must surely agree that this only deters their initiative and will to live a better life and to provide for their families.

Restriction with regard to farm incomes must also be reviewed, and I hope that these sections in the act will be considered sympathetically when viewed in the context of the proclamations by this government regarding equal opportunity for all Canadians. We know that all the phrases turn out to be only political utterances of computerized thinking without any human feeling.

Before leaving the subject of war veterans allowances, I would like to take this opportunity to congratulate the newly appointed chairman of the War Veterans Allowances Board, Mr. Don Thompson, who is probably one of the most knowledgeable men in this country in veterans affairs. His knowledge and experience as national secretary of the Dominion Command of the Canadian Legion should stand him in good stead in his appointment, and I sincerely hope that his experience will prove to be of decided advantage to the veterans of this country in his area of responsibility. I hope also that his immersion into bureaucracy will not pollute his thinking in so far as veterans are concerned, and that he will remember forever the contribution he can make in spite of the frustrations he must have experienced during the many years he has served so many war veterans. While I realize the limitations with which he will be faced as chairman of the board, I am sure I speak for all hon. members in wishing him well in his appointment.

I would also like to take this opportunity on behalf of hon. members to offer our sincere appreciation to Colonel W. T. Cromb, the former chairman of the War Veterans

Allowances Board, for his spirit of comradeship and dedication in serving veterans over the years, as well as for the assistance he offered to all members in line with their duty to veteran constituents. It is not difficult to use the phrase "service beyond the call of duty" in Mr. Cromb's case, and we wish him well in his retirement. I would just like to remind the minister again that the increases under the War Veterans Allowances Act, even with the new maximum allowable income, are still below the poverty line. I hope that he will make another appeal to the Minister of Finance (Mr. Benson) to reach at least this level of requirement.

In moving on to the subject of veterans disability pensions I think I must say, in a spirit of comradeship, that the amendments are in the main satisfactory but, if I may use part of a well worn expression "too little too late"; the "too late" certainly applies. The method of operation of this government has become very obvious. I can refer to their proficiency in delaying tactics when it comes to living up to their responsibility in providing for those Canadians who cannot look after themselves. I must say that I have been rather naive when I look back and note the amount of time that elapsed between the setting up of the Woods Committee and the stage at which we have arrived at this moment.

The Woods Committee was set up in 1965, and we on the Veterans Affairs Committee, after coaxing and cajoling, managed to have the report referred to the Veterans Affairs Committee in 1968. Here we are in 1971, having only reached the second reading stage of the bill. Almost six years have passed, and by April of this year we hope that direct action will be taken for the war veterans of this country. I can only sincerely admit that in my responsibility as part of the opposition I must have been either too naïve or trusting in going along with government action to maintain the status quo and in having allowed the strategy of this government to work. I, therefore, apologize to the dependents of veterans who have passed on for the procrastination of those who govern now as well as those who have governed before, and for their failure to those citizens of our country to whom we owe the greatest debt.

Some hon. Members: Hear, hear!

Mr. Marshall: The increases are good and the new amendments will benefit a great many. But when we stop and look at the average age of the first world war veteran whos is in his late seventies, and the world war II veteran who is in his late fifties, whether he is a paraplegic or a quadruplegic, whether he suffered in a Hong Kong prisoner of war camp, whether he suffers from loss of limbs or requires attendance allowance and will now receive the benefits he deserves, we have no reason to be too proud. It is not too difficult to emphasize what I mean by comparing the action of this government in this case with that taken to deal with the other segment of our society which requires the help of the government, namely, the poverty stricken. I refer especially to the aged, the blind, the retarded, and others who fall into the category of the disabled who cannot fend for themselves.

What has happened since 1968 with regard to these citizens? Are not the tactics of this government very obvious by now?

The first step was a proclamation in a throne speech of the goal of the just society. The second step was more proclamations by cabinet ministers and by the Prime Minister (Mr. Trudeau) of our country, which were politically oriented, that every Canadian regardless of where he lives must enjoy a decent quality of life and equal opportunity and that it is our responsibility to see that they do. I have been hearing these proclamations with considerable dismay, and Canadians listened and believed, but to their sorrow and dismay they have not been carried out.

The next tactic, which was as calculated as a military exercise, was the appointment of royal commissions, of Senate committees, and the production of white papers which have only caused further delays because they have to be translated in the two official languages. We have also heard the excuses that no more can be spent on the poverty stricken without taxes being raised. Then, the blame was shifted to the opposition. Now, to bring things up to date, as we have seen in the past few days, the government threw out some bait and provided $68,500 to allow those concerned to hold a conference on poverty and to provide more camouflage to delay support for those who are poor and need help right now. I can only say that even though there is not too much military experience in the cabinet today, its members should certainly be described in military history as the best strategists this country has ever known, strategists in deception tactics.

I understand that a very important member of the cabinet, namely the President of the Treasury Board (Mr. Drury), is a former general in the Canadian forces. If he is directing the delaying tactics of this government, then he is doing a first class job. There is certainly not too much military experience in the departments which deal most closely with this type of strategy where it concerns the poor and the veterans. But they have learned well and can be very proud of themselves. I wonder, however, what their consciences tell them. There have been many accolades on the front pages of veterans magazines and in letters from various organizations, but the needy veteran is still waiting for action.

I must say, as I have mentioned with regard to the many letters I have received from the recipients of war veterans allowances, that the letters I have received do not hand out too many bouquets. Let me quote an example of a letter I received from four quadruplegics, signed by four veterans who fall in this category. It reads in part:

● (4:00 p.m.)

The report on the proposed legislation for veterans pensions and supplements leaves much to be desired for the dozen or so quadruplegics. Supplements of attendants and multiple disability allowances are inadequate, as now proposed, to maintain the quadruplegics well-being away from a medical institution—

We are sure by this time that the appointed Commons Committee is well aware of the quadruplegics plight after repeated

briefs, demonstrations and pleas. Would it not be feasible to reconsider additional funds plus backdating of the supplements for these few?— We, the undersigned, feel that at least the amount recommended by the Commons Committee would enable a quadruplegic to live on a comparable basis to the paraplegic.

This letter is signed by four quadruplegics, Mr. Speaker. One of the signees was a veteran by the name of T. Damiano, who appeared before the Veterans Affairs committee. He is the only one I recognize, but I will not forget him too easily. I hope that he will forgive me if I remind those veterans of the committee who sit here in this House that he was brought in in a wheelchair. He had no legs, and two uncontrollable stumps for arms as a result of wounds suffered in the Korean war. He should be wheeled into the House of Commons, Mr. Speaker, and placed before the cabinet to see the condition of some of those we so easily forget.

One of the headlines that I noticed in a magazine indicated that we were taking a great step forward. I say this headline should have read, "It's About Time We Took a Step Forward." But another headline explains the situation more clearly. It reads, "Amendments to the Pension Act—The Most Extensive Improvements in Half a Century." It has taken us 50 years to realize the needs of the war veterans of this country. Should we be so proud of ourselves, Mr. Speaker? Each and every one of us is responsible.

I hope especially that members of all past governments, who might take the time to reflect on what has happened over the past 50 years, are satisfied that they have done their job conscientiously. I hope I will not hear the same tale of woe in subsequent speeches concerning how much it would cost, or that we would have to raise taxes to increase benefits for the poor and disabled. As I said in my speech on December 2, I cannot accept that ridiculous explanation.

Yes, Mr. Speaker, the increases are satisfactory and should be acceptable in the majority of cases. On April 1 the 100 per cent disability pensioner will receive some $4,464 per year if he is married, and his single counterpart will receive $2,640 per year. Provision is now made for an increased clothing allowance to those in receipt of pension on account of two amputations, and a special allowance to a pensioner whose disability requires the wearing of specially made wearing apparel. Special pension status will be granted to former prisoners of the Japanese, those who were captured in Hong Kong in 1941. But please note, Mr. Speaker, this is almost 30 years later. There are, in addition, amendments to authorize automatic pensions for widows and for orphans of these veterans.

Another amendment will authorize payment of special allowance to 100 per cent pensioners who are exceptionally incapacitated, but still qualifying conditions are inserted whereby authority will be vested in a new, completely independent five-man pension review board. A new definition of the benefit of doubt clause will provide a guide for applicants, advocates and adjudicators in the preparation and the processing of pension claims. Other amendments will provide for payment of additional pensions to those suffering consequential disabilities, and will provide for the payment of additional pensions to those in receipt of a pension for the loss of a paired organ or limb, and of an additional pension for the loss of the pair of those organs or limbs. There is also an amendment to extend from 12 months to three years the period for which a pension may be granted retroactively.

There are amendments to establish a bureau of pensions advocates outside of the Department of Veterans Affairs and for the establishment of two new boards for the hearing of appeals, namely, an entitlement board and a pension review board, as well as for new procedures for the making and hearing of applications for awards to clarify certain provisions of the Pension Act. I also welcome the minister's announcement about the Board of Legal Services, and I hope that this will speed up consideration of applications.

No, Mr. Speaker, I have no quarrel with the recommended increases. These were deliberated over many months by the Veterans Affairs Committee in a non-partisan manner which does all members credit. But I can only say that, unfortunately, they have been recommended too late for many who have passed on before this time.

It is the intention of my party to avoid delay in the passage of Bill C-203 and, in spite of the many shortcomings which could be pointed out, it is our intention to get the bill before committee as quickly as possible so that we may get on with the other stages before enactment.

I am sure we all agree that time is of the essence in the rationalization of the many administrative details which must be worked out so that veterans will receive the benefits afforded by April of this year. There are still many discrepancies in the over-all legislation which must be corrected. There are still many areas where the bill falls short of the expectations of the veterans as recommended by the veterans organizations, the Woods Committee and the Veterans Affairs Committee.

If I seem to be parochial in my comments, Mr. Speaker, I hope the House will bear with me while I spend a few moments to present a plea on behalf of the newest province of Canada, my home province of Newfoundland. Under the terms of confederation in 1949, many of Newfoundland's veterans were left hanging in the air because of the peculiar circumstances of their service. Out of a population of 500,000—and at the time of hostilities it was a good deal less—as of October, 1970, there were 1,990 war veterans receiving war veterans allowances and 1,633 receiving civilian war allowances, or a total of 3,623. Some 1,540 are receiving disability pension, and there are 350 who are dependent pensioners.

I am sure hon. members will note that even at today's population figures, over 10 per cent of the Newfoundland population served their country in time of war. It should be clear, then, that I am not being overly forceful when I say it becomes obvious that those who arranged the terms of confederation were not too familiar with the

needs of the province in so far as its veterans were concerned. This statement is strengthened by the fact that some 30 people are responsible for the administration of some 5,500 veterans and their dependents. It emphasizes my various appeals to the department to provide more help to seek out the many veterans who are being denied the assistance for which they are eligible, appeals which have fallen on deaf ears in the department ever since 1968. This means, as I have proved, that many Newfoundland veterans are still being denied their just and well deserved benefits.

The staff at the district headquarters in Newfoundland should be complimented on the way in which they handled the workload with which they are faced, especially when the Newfoundland district has a much higher rate of growth in WVA. and CWA. cases than any other of the 18 districts in Canada. I stress, Mr. Speaker, for fear of contradiction, the rate of growth. There are many other areas of shortcomings faced by Newfoundland veterans, not the least of which must be directed to the United Kingdom, causing delays of up to two years. This is a fact that even the Woods committee failed to realize, and deemed acceptable.

There are some 3,700 Newfoundland Foresters who served in World War II and, although they qualify for benefits under the Civilian War Pensions Act, recognition of their service must be reconsidered. I intend to make representations for them in future deliberations of the Veterans Affairs Committee.

To return to the national problem, Mr. Speaker, there are still many deficiencies apparent in the Pension Act to anyone who reviews the provisions which apply to the Veterans Land Act, Canadian Merchant Seamen, Canadian Firefighters and others who offered their lives during wartime. I feel sure that the Veterans Affairs Committee will face these problems in the same spirit of comradeship that was displayed in dealing with the amendments with which we are faced today. We must not forget, when we seek help for war veterans, the contributions that are being made and have been made over the years by veterans' organizations. Not only do they help those in need but they have made a distinct contribution to the youth of Canada—I refer mainly to the Canadian Legion —by contributing to the education and recreation of our young citizens.

I say again, Mr. Speaker, as I have said many times before, that if this government will remove the blinkers when we are struggling in frustration at our inability to instil a sense of national unity, it will be guided by the display of comradeship which is projected through veterans' organizations without regard for race, creed or religion, and only in a dedication to help one another. We need not travel to foreign lands to project an image that we are not able to live up to; so, let us stop and reflect on how we became great as a nation before it is too late. Let us look at the sacrifices of some one million veterans who offered their lives during past world wars to enable us to govern in peace and pride. Let us put some sincerity into our thoughts, so that every Canadian, wherever he lives, will be as he must be, provided with equal opportunity.

[Mr. Marshall.]

• (4:10 p.m.)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, this is a very important bill. It has been a long time in coming. It includes many progressive steps that we, in this party, warmly welcome. I trust that the minister will not be surprised if I have a few critical comments to make as I go along, but I want our initial word to be one of appreciation that, at long last, we have Bill C-203 and that it will soon be on the statute books of Canada.

I should like to join with the Minister of Veterans Affairs (Mr. Dubé) in paying special tribute to the veterans organizations. I have in mind the excellent assistance they gave to us as we studied the Woods Report and the white paper in the Standing Committee on Veterans Affairs. Their principal spokesmen almost became members of our committee. They sat with us for hours on end. I think all members of the committee will agree that they were a tremendous help to us. The officials of the department were also helpful to us; but that is their job. They are supposed to be.

While we are in the mood to extend greetings, I should like to join with the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) in paying tribute to the excellent work done by Mr. W. T. Cromb during the years when he was chairman of the War Veterans Allowance Board. We also wish to extend our congratulations to Mr. Donald Thomspon, who recently was secretary to the Royal Canadian Legion but who has now become the new chairman of the War Veterans Allowance Board.

This reference to the War Veterans Allowance Board gives me the opportunity to note, as did the minister and as did the previous speaker, that the bill before us today is not the only piece of veterans legislation to be dealt with in this session. Indeed, we anticipate one or two more pieces of legislation that will come down very soon, namely, bills that will amend the Pension Act in so far as rates are concerned and a bill to amend the War Veterans Allowance Act as well. These are very important changes that must be made. Otherwise, this bill will have little meaning for many of our veterans. We have in mind the announcement the minister made on December 2, 1970. Like the hon. member who has just taken his seat, we feel, although we welcome any increase, that the amounts of increase thus far proposed are not adequate and it is most unfortunate that they have not been made retroactive. Asking our veterans who have already waited a long time for these increases to wait until the month of April, should not, we feel, be the position of this government and of a grateful Parliament.

I was sorry that the Minister of Veterans Affairs was not able to give an immediate and affirmative answer to the question I put to him during the oral question period this afternoon. It had to do with the increase in the guaranteed income supplement that will apply in January, February and March. One has in mind the fact that over the last two or three years, whenever this has happened, veterans who have been receiving both the war veterans allowance and the guaranteed income supplement have had the total amount of income they could

receive raised so that the increase in their guaranteed income supplement would not come off their war veterans allowance. It seems to me that as that has been done for the last three years, there ought to be no question about it this year. I realize that this applies only to the months of January, February and March, because, beginning in April, there will be new rates both for the guaranteed income supplement and for payments made under the War Veterans Allowance Act. We are talking about small amounts of money and it seems a shame that we have to plead and argue for these little amounts to be given to our veterans. However, Mr. Speaker, as the House is aware, the whole question of rates under the Pension Act and of allowances under the War Veterans Allowance Act is not now before us. Those questions will be dealt with in separate legislation. At this point we are dealing with Bill C-203 which, in the main, amends the administrative aspects of the Pension Act.

As the minister and the previous speaker pointed out, this bill covers a great many matters. Indeed, the Woods Report contained 148 recommendations. In our standing committee's report on the white paper, we pronounced on each of those 148 recommendations. In some cases where we made favourable recommendations, the government has acted upon them in the bill. So, any attempt to deal with all the details of this bill at the second reading stage would be in vain. Therefore, like the two previous speakers, I wish to direct my remarks to five or six of the main points in the bill now before us.

First of all, Mr. Speaker, we welcome the change in the bill regarding the benefit of doubt. Perhaps it is only a change in wording, but we hope that it will have a far reaching effect. The legislation, as it now stands, in section 70 provides for the benefit of doubt to be given to the veteran; however, the language of section 70 is couched in such a way that it is still necessary for the veteran to produce more evidence than seems to us to be necessary. We are very glad that the language of section 70 of the Pension Act has been done away with and that in its place we are to have the language proposed in a new section 1A. I think it is worth putting that language into *Hansard*. It reads:

CONSTRUCTION

1A. The provisions of this Act shall be liberally construed—

The word "liberally" is spelled with a small "l", I am glad to say. The section continues as follows:

—and interpreted to the end that the recognized obligation of the people and Government of Canada to provide compensation to those members of the forces who have been disabled or have died as a result of military service, and to their dependants, may be fulfilled.'

That is the basic ground rule, and this has been included in the new act as new section 1A immediately after the title itself. We think that even its location in the legislation is significant.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): Other sections of the new act will spell out the details of the procedure that are in line with this ground rule. I know that many veterans across this country are hoping that this new and more realistic benefit of doubt approach will result in an opportunity for them to receive a consideration that they have not yet received. So, Mr. Speaker, this is one feature of the legislation that we welcome most warmly, the new provision for a real benefit of doubt to be accorded to veterans who apply for pensions under the Pension Act.

The second feature of this bill to which I should like to refer is the section dealing with the Hong Kong veterans, their widows and other dependents. I believe this is one of a number of instances, and it is an important one, in which the actual recommendation of the Woods Committee has been followed down the line. The government accepted this recommendation when it produced the white paper. The standing committee went along with it as well, and now the heart of this recommendation is contained in this bill.

• (4:20 p.m.)

As I understand it, any veteran who was at Hong Kong, and I welcome the minister's reference to the Winnipeg Grenadiers and others who were there in 1941 and were prisoners of war during the years that followed, who has any assessable disability is to be regarded as having at least a 50 per cent disability and therefore a 50 per cent pension. As hon. members are aware, the magic of 50 per cent is that the widow of any such veteran will qualify for a pension as a right.

The new legislation is worded in such a way that it is quite clear that this also applies to the widows of those Hong Kong veterans who have already died. This provision, Mr. Speaker, is eminently satisfactory except for the effective date. We think it should have been put into effect two or three years ago. At any rate, Mr. Speaker, we welcome it wholeheartedly.

I now move to the third item on which I wish to make a few comments. I refer to the section in the legislation dealing with what is to be called an exceptional incapacity allowance. The minister can point out that in the end the veterans organizations seem to be willing to accept this provision in the form in which the government has included it in the bill, but I am not completely satisfied. The government should at least have accepted the recommendation of the Standing Committee on Veterans Affairs. I remind the minister and hon. members that that recommendation was in the form of a compromise.

The minister stated that the government is doubling its original offer and that this is a response to the members of the standing committee. Whether that means anything depends on the original offer. In the white paper, despite the more generous suggestions in the Woods report, the government proposed what is now called an exceptional incapacity allowance ranging from $400 to $1,200. Because the government is offering from $800 to $2,400, the minister says the amount has been doubled. The difficulty is that the standing committee, after discussing this at great length and being willing to compromise, in

order to get something on which we were unanimous, recommended that this kind of allowance for 100 per cent pensioners who require more than the 100 per cent should range from $700 to $3,500 a year. The government is shortchanging the committee and the veterans of this country by proposing a maximum figure of $2,400 after our compromise suggestion of a maximum of $3,500.

I fell there is still merit in the position taken in the Woods report, and by veterans organizations, to the effect that payments in addition to 100 per cent should be tied to special categories. If a person has a certain condition, he should receive an additional pension as a matter of right. We went over this in great detail. We suggested adding together the various percentages in some cases. Quadruplegics would receive very high percentages. Possibly that will not work. That is why we agreed to specify certain categories. This is what was done.

The national veterans organizations of Canada on pages 20 and 21 of their joint statement of March, 1970, set out categories that should be established. They suggested that if a veteran is in one or more of these categories he should receive a certain increased percentage in his pension. The veterans organizations took the position that it should be done in that way as a matter of right rather than something granted by the commission.

The legislation does not use the words means test or needs test. However, it is to be done at the discretion of the commission. Most of us feel there is a danger in that. It would have been far better to grant these increases to those whose pensions are already at 100 per cent, on the basis of a precise schedule, as a matter of right. I hope that when we get into committee and have an opportunity to compare what the government has included in the bill with what the Standing Committee on Veterans Affairs recommended, the flexibility to which the minister referred will still obtain and that we will be able to make changes in this portion of the bill.

As is often the case with this kind of legislation, we welcome the fact that something is being done. We are glad that additional amounts are available for those people receiving 100 per cent pensions. However, we do not like the extent to which they seem to be matters of grace and matters of determination by the commission, rather than matters of right on the basis of certain categories or certain precise conditions.

I am sure that all hon. members were impressed with the remarks of the hon. member for Humber-St. George's-St. Barbe with regard to the quadruplegic who appeared before our committee. We were all impressed with the letter sent by several of them in the Sunnybrook Hospital in Toronto. The number of quadruplegics in this country is not very great. Indeed, the number of those with extensive multiple disabilities is somewhat limited. It seems that this grateful country that we frequently talk about could well afford to grant these people everything they need. We must do everything we can in terms of money to lessen their discomfort and disenjoyment of life. We do not think this will be done properly if it is a matter of discretion. It should clearly be a matter of right. Although we welcome the exceptional incapacity allowance which is included in this legislation, it is my hope that when we deal with this bill in committee there will be some improvements in this section along the line recommended by the Standing Committee on Veterans Affairs.

[Mr. Knowles (Winnipeg North Centre).]

I now wish to deal with a very important, but complicated, question. That is the new set of procedures that will obtain under the revisions set out under this bill. Although in the first instance the government did not accept the recommendation of the Woods committee for a separate review board, but proposed its own arrangement, in committee we were quite pleased that in the end the government agreed in principle that the first two levels of consideration of pension applications be under the jurisdiction of the Canada Pension Commission, first the commission and then an entitlement board, but that in addition, a pension review board should be established, to be completely independent from the operations of the Canadian Pension Commission. We think this recommendation of the Woods committee was excellent. The fact that the government changed its position before the Standing Committee on Veterans Affairs is evidence of the fact that the veterans organizations made a good case.

I believe this will make a difference to the veterans of this country. They will know that their applications for pensions will be dealt with by the Pension Commission and by an entitlement board, and if they are not satisfied they will have the opportunity of applying to another body that was not involved at the first two levels, namely a pension review board. We think this is good. We are glad it is being done. Nevertheless, Mr. Speaker, in my attempt to compare the language of Bill C-203 with the recommendations made by the Standing Committee on Veterans Affairs, I feel that some subtle but very significant changes have been made. My impression is that the members of the Standing Committee on Veterans Affairs not only wanted this pension review board to be completely independent but as informal as possible so that the veteran or his representative would receive the most humane consideration of his case.

• (4:30 p.m.)

As I read the legislation I get the distinct impression that the pension review board is being set up somewhat along the lines of a court; it seems to me that too much red tape has been introduced, too many ground rules are specified. It is all done in such a way that instead of this review board being an informal arena in which aggrieved veterans can have their cases examined in human terms they will be present at a courtroom scene where their chances will not be as great as they would otherwise be. If the government is prepared to go this far, and agree to the establishment of a separate review board as proposed in the Woods Report, as requested by the veterans organizations and as recommended by the Standing Committee, I think it should set the board up in such a way that it will really work—not only that, but give the impression to everyone that it is, in fact, working.

To turn to a few of the details, it seems to me there are certain things that will overload the work of this review board. One has to do with the right of the pension commission to reconsider a matter. As the bill reads, this can only be done if the review board agrees to its being done. It appears to me that hundreds, if not thousands of cases of this kind will go up to the review board and clutter up its operations. Many of these cases are such that they could easily be dealt with by the commission itself at the lower level; if the workload of the review board is cluttered up with them the board will not be able to do the humane job that is called for in the name of the veterans.

Generally speaking, veterans have been pleased with the work of the Pension Commission. Certainly, those who have got their pensions have been pleased. Veterans organizations have had to admit that the Commission has done a good job over the years. Nevertheless there has been enough dissatisfaction, enough feeling that provision for a final review was unsatisfactory, to lead, now, to the setting up of a pension review board. I plead that we should not create a court situation but work out a more humane arrangement in which a veteran will really be given an opportunity to have his case heard sympathetically.

One of the recommendations on this point was ours. I am referring to recommendation number 22 from the Standing Committee on Veterans Affairs, and I should like to read it into the record.

> Leave to Re-Open Appeals: The Veterans Organizations propose that there would be no requirement for a "leave to re-open" procedure before the proposed Pension Review Board. If new grounds or evidence exist, the application for "Leave to re-open" would be the responsibility of the Commission. When the applicant has exhausted his procedural rights before the Commission he would be entitled to have his case reviewed by the Pension Review Board. In a case which had previously been adjudicated upon by the Pension Review Board, and no new grounds or evidence existed, the Review Board would review the case a second or subsequent time, should the applicant's representative request this action. This is believed to be in keeping with the basic concept of the Woods Committee, which was to the effect that there should be no "finality" in applications under the Pension Act.
>
> Your Committee concurs in this proposal and so recommends.

This is what the veterans wanted. I believe it is what Parliament wants to provide—that in this important matter of seeing that justice is done to veterans there should be no finality, no point at which a veteran is told: There is nothing more you can do. The situation thus envisaged is not established if in setting up this new board we hamstring it with a lot of ground rules and red tape which defeat the purpose of the committee's recommendation. This is a detail we can examine when we get into the Standing Committee on Veterans Affairs on this bill, but I give notice now that I would like to see the ground rules for the pension review board made more flexible and more humane so that the purpose we have in mind might really be met.

I move on to one or two other things I should like to speak about. I welcome the clause of the bill which provides for the stabilization of World War II pensions. As the minister says, it took many years after the first world war to take this action in the case of those veterans. Now, at last, we are doing it in the case of World War II veterans. There are a number of other provisions in the bill having to do with dependants and their education, accidents which occur off-duty and so on—quite a long list of things which are good and which make the bill such that it can be said to be an improvement in our veterans legislation. However, as the hon. member for Humber-St. George's-St. Barbe said so well, no matter how much we improve the administrative arrangements, if we fail to show proper concern in terms of disability pension rates and in terms of the amounts granted under the War Veterans Allowance Act, the veterans will ask: What was the use of the Woods Report; what was the use of spending all the hours which were spent on this measure? So I hope that after we have got this bill through, and after members in all parties have had a chance to speak on it, the government will reconsider the rates which the minister announced on December 2, shortly before the Christmas recess.

Returning to the bill itself, there are two things which are not contained in it. I regret they are not there. The first is a provision for automatic increases in pensions at certain ages. This, I have to admit, is a point we lost in the committee, but that is no reason it could not have been put in this bill. The Woods Report recommended it and the veterans organizations pressed very hard for it. This, it seems to me, is something we can all readily understand—that as veterans get older their needs become greater, their capacity for making money on the side lessens. It is a sensible and realistic proposal that in certain circumstances disability pensions should move upward, even all the way to the 100 per cent pension at a certain age. As a matter of fact, I think this is a principle which could well be applied to old age pensions generally, but here would be a good place at which to start. This is a question on which we were divided in the committee. We who wanted this proposal accepted were out-voted, but I still hope the government might consider its adoption.

There is one other provision which we approved and which was recommended in the committee's report but which is not to be found in the bill before us. Hon. members who are on the Veterans Affairs Committee will be able to guess at once what it is. I refer to recommendation No. 106, which consists of one sentence:

• (4:40 p.m.)

> That a proportionate pension be paid to a widow where a pensioner in receipt of pension of less than 48 per cent dies.

Recommendation 107 is similar and would have had the same effect with regard to dependants other than a widow. Although we did not win the vote on recommendation 107, we did win the vote on recommendation 106, which I have just read, and again this recommendation is part of our report. It is listed with those matters in which we concur. True, the vote was not unanimous, but it was a majority vote and that becomes the committee's decision.

We hear a great deal said around this place about the importance of committee work. I have seen other ministers come before the House and admit that their position was overruled by the standing committee, and they accepted it. As a matter of fact, I think in all fairness I must say that since we revamped our committee structure most of the changes made to bills by committees have been accepted by the responsible minister when the bills returned to the floor of the House. I am very sorry that the Minister of Veterans Affairs has not seen fit to accept the will of the committee with regard to recommendation 106.

Perhaps I might be permitted to take a moment to explain the obvious. At least, it is obvious to all who are familiar with this particular field of legislation but perhaps I should place on the record what this is all about. As hon. members are aware, under the Pension Act as it now stands if a veteran with a pension of 50 per cent or more dies his widow automatically gets a widow's pension under the Pension Act. However, if a veteran has a pension of less than 48 per cent—and in all of this 48 per cent has become the magic figure—should he die his widow gets no pension whatever. There is no grading at all; this is an absolute cut-off point. Most hon. members are aware of this because they have had to deal with it.

The Woods Committee dealt with this issue and made a very clear recommendation. It recommended that in the case of widows of veterans who have a pension of less than 48 per cent a proportionate pension should be paid. As I say, that was a clear recommendation made by the Woods committee. This was rejected by the government in its white paper but the standing committee in its report back to the House recommended that its recommendation No. 106 be inserted into the act. We are now considering Bill C-203 and we find that the recommendation of the standing committee in this respect has been ignored. I regret and deplore this, and I hope that even yet the government will give consideration to it.

May I just read a few words from the Woods Committee report on this question since, as I say, it appeals to me as one of some importance. I should like to refer to volume III of the Woods report. Hon. members might think that this volume is a whole report in itself, but it is only one third of the report. At page 884 the committee report reads:

> Your Committee considers that a widow and other dependants have a vested right in a pension awarded to a member of the Forces for disability. This right is based on the premise that, by reason of injury, disease or aggravation thereof where such were attributable to, incurred during, or related to military service, the pensioner's earning capacity was reduced in his lifetime, usually during his most productive years.
>
> The dependants of that pensioner should have a moral and legal right to be maintained through the earning capacity of that member and when the earning capacity has been reduced, and replacement thereof is made by way of pension, the dependant has a vested right in that pension.
>
> This vested right applies to the pension paid to the dependants while the member is alive, and when he dies, should continue to apply during the lifetime of a widow and dependent parents and dependent brothers and sisters, and during the pensionable age in the case of children.

[Mr. Knowles (Winnipeg North Centre).]

> Pension is an integral part of the economic life of a family. Pension, and the causes from which it arose, in one degree or another affect the entire life of the pensioner—and likewise that of his wife, family and other dependents. The effect of this does not disappear on the death of the pensioner, but is continued to the extent that the widow and other dependants are subject to the effects of the results of the member's service. While this effect will vary in degree and extent, it is always present. To a man earning $5,000 a year, for example, a 40 per cent pension of $100 a month represents a significant portion of what he has to live on. To deprive his family of the financial help that he received while alive not only places his dependants in a position of facing a larger problem of readjustment, but in effect terminates the acceptance of responsibility on the part of the state, arising from the service of one who was the cornerstone of the family economy. In effect the view is adopted that the family's right to expect anything from the pensioner terminates with his death.
>
> The family has a vested interest in the pensioner's estate and in all that he was. The cut-off of assistance by way of pension on death of the pensioner fails to take proper account of the larger implications of his responsibility.

Then, there is a paragraph pointing out that in the case of pension of 50 per cent or more the widow is taken care of because of the already accepted principles that apply above the 50 per cent level. The Woods Committee then concludes by saying:

> The "vested right" principle would of course apply to the dependants of pensioners in receipt of 50 per cent or more, but it is not necessary to make it applicable, in that the "contributory" principle takes precedence. When, however, this "contributory" principle does not apply, in that the pension was in payment at less than 48 per cent, the dependants would still be entitled to a portion of pension on the "vested right" principle.
>
> Admittedly, they would have entitlement only to the percentage to which the pensioner's assessment had indicated that he was disqualified in the unskilled labour market. Your Committee considers, notwithstanding, that the vested right should be recognized, and has made a recommendation accordingly.

I have read at some length from pages 884 to 886 of volume III of the Woods Committee report because I think those paragraphs put the case very clearly. Certainly, it seems to me that these statements should not be ignored. I repeat that every one of us in this House has had to deal with widows of deceased veterans with a pension of less than 48 per cent who feel aggrieved. I know we are told that these widows can turn to the War Veterans Allowance Board and to other sources, but surely the Woods Committee has stated the case very clearly and we ought to pay attention to it. Let me say again that if it is contended around here that this Parliament is better for the committee system, then let us not spoil it by ignoring the recommendation that was made by this important committee. I hope that when the bill goes to committee something can be done about this particular clause.

As I said when I began my remarks, the bill as a whole makes quite a number of improvements, and we therefore welcome it and give it our support. We shall be glad to deal with its details in committee. However, I hope in particular that we will be able to do something to improve the terms of the exceptional incapacity allowance. I hope we will also be able to do something to make the Pensions Review Board more responsive to the needs of the veterans and to the ideas that the Woods Committee and the standing committee have expressed. I hope

that we will be able to do something for the widows whom I have just mentioned in connection with my reference to recommendation 106. Then, when we have done all that, I hope the government will reconsider the amounts mentioned in the announcement of December 2 by the minister and that the increases in pension rates and in the war veterans allowance will be much larger than he proposed. I hope also, that instead of our veterans and their dependants having to wait until April, 1971, the increases granted by Parliament will be made retroactive at least to April, 1970. Surely, we should do nothing less.

• (4:50 p.m.)

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, as all those who have spoken before me, I am happy that the House gives consideration to the second reading of Bill C-203 presented by the hon. Minister of Veterans Affairs (Mr. Dubé) on December 2, 1970, which had been expected for a long time.

As other hon. members have already said, this bill is very valuable because it brings forth amendments that should have been made long ago.

However, the first reproach that we must make is that the amendments to the Pension Act and the Civilian War Pensions and Allowances Act should be in force, as the hon. member for Winnipeg North Centre (Mr. Knowles) has just said, much earlier than April 1, 1971, not only because of the increased benefits to veterans, but also because of the improved method of assessing their disabilities.

This bill comes too late, for thousands of veterans have suffered in the past from the inadequacy of pensions, taking services rendered by them into consideration.

Generally speaking, the bill provides a 10 per cent increase in the amount of pensions. It also provides a special pension for Hong Kong veterans and the establishment of a Review Board, which, in my opinion, is very important. But here again the 10 per cent increase and the establishment of a Review Board can have very different consequences for certain veterans, since everything depends on the assessment of their disabilities.

In fact, if the veteran's pension is raised by 10 per cent while the assessment of his disability is carried on a stricter basis, this 10 per cent increase will not improve the lot of those who are now entitled to a pension which is not commensurate to the services rendered to the nation.

Mr. Speaker, I have in mind several cases involving veterans. In one case, the Pension Commission has delayed for four years its decision to allow a veteran to undergo surgical operations. That decision was taken only six months ago. Four years ago, the Commission had deemed these operations unnecessary and had sent the veteran back home on the grounds that his pain was all in his mind. However, the Commission has recently ruled that this pensioner's sufferings were nothing far from imaginary and this fellow was given persmission to be operated on absolutely free of charge to him.

Assessing the veteran's disability is the core of the problem. If in the future the criteria for assessing disability are made more rigid, then the 10 per cent increase allowed today will soon be absorbed.

It will be objected that Bill C-203 provides for the setting up of a five-member Pension Review Board. I trust that this body will be able to make the necessary humanitarian rulings but, on the other hand, we all know very well that the extent of the adjudication powers of the Pension Review Board will only go so far as the regulations applied by the department will allow.

Actually, if the department shows too much rigidity in its application of basic criteria for assessing the case of certain pensioners, the Board will have to follow those recommendations, those basic rules before deciding which of the veteran or the Pension Commission is right.

That is why the general principle of the bill is good. We finally have the pleasure of acknowledging that fact. However, time will tell whether review boards are ghost committees much too restricted in their decisions. We are aware of the work of review boards in other fields, in other departments. We know very well that to be really effective a review board must sometimes overthrow the decisions of officials but, on the other hand, it must obey the instructions, rules, recommendations of the department. If the department is too strict when it determines the fundamental criteria to evaluate possible disabilities of veterans, the bill now before us will not be enough. But we congratulate the minister for finally tabling the bill in the House. All admit it seeks to help war veterans.

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Criminal Code—suggested removal of abortion provisions; the hon. member for St. John's West (Mr. Carter)—regional economic expansion—Argentia, Newfoundland—report on effects of closing of United States naval station and, the hon. member for St. John's East (Mr. McGrath)—regional economic expansion—Montreal—applications by city under amended Incentives Act.

It being five o'clock, the House will now proceed to the consideration of private members' business, as listed on today's Order Paper, namely, notices of motions and public bills.

The Canadian Economy

PRIVATE MEMBERS' NOTICES OF MOTIONS

THE CANADIAN ECONOMY

REQUEST FOR LEGISLATION TO IMPROVE LIVING STANDARDS IN CANADA AND THROUGHOUT THE WORLD

Mrs. Grace MacInnis (Vancouver-Kingsway) moved:

That, in the opinion of this House, the government should give immediate consideration to the introduction of legislation to abolish poverty by redistributing income and planning productive resources so that the wealth created by modern technology may provide a much more equal standard of living for Canadians, regardless of who or where they may be, and may also be used to enable Canada to contribute a fair share of this country's wealth toward greater equality of living standards throughout the world.

• (5:00 p.m.)

She said: Mr. Speaker, it is fitting that this resolution should come up for discussion at the beginning of the new year. Never before has the Christmas season held such a poignant mixture of warm festivity and chilling concern about the future, not only of our country but of the earth itself. Like the rest of you, I had been enjoying myself in my constituency in many happy groups when suddenly the shadow fell across us. We began to worry about the increasing numbers of people, men and women like ourselves, for whom Canada has no place. I spent Christmas Eve as the guest of an organization of unemployed people who had begged the wherewithal for their Christmas dinner from those who had means. On welfare themselves, these people and their families opened wide the doors to those with even less hope, the men and women on Skid Road. There was food and music and friendship for a night. But for all these people there was no prospect of a future where they could earn an income and share in the life and responsibility of the community. They felt it deeply, and I felt ashamed and indignant that Canada's future had no place for them and their children and the other half-million Canadians who are unemployed.

And that is not all: there are the old, the handicapped, the sick, the blind, the single parents and many other groups. One Canadian in five—perhaps the latest figures would show even more—is deep in poverty now and doomed to sink even deeper if this government continues its present policy of selectivity, that is selecting the poor and making their small incomes go to finance the destitute. Oh, yes! I know we have had a Senate committee to study poverty. And I know that the government has just given a grant of $50,000 to finance in part the recent Poor People's Conference whose members, according to one of them, "are all poor and are all working to solve the problems of poverty." Such a conference has undoubtedly been valuable to those who participated, but I think it is time now that the government stopped stringing people along. It is time we stopped sobbing over poverty and took the first steps to get rid of it. The responsibility for taking those first steps is here in this House. If this government will turn its resources to providing a workable plan for a guaranteed income for Canadians in every part of this country, it will have left its mark for all time, not only on a grateful Canada but on a world that sorely needs such an example.

[Mr. Deputy Speaker.]

I say a "workable plan". We all know it will not be easy. We all know it bristles with difficulties. There is the difficulty of providing incentives to work for those who are able to work. But I noticed the other day at the poverty conference that there were those among the delegates who said that even more important than the right to a guaranteed income is the right to guaranteed work. There are a great many who are looking for an opportunity to support themselves and to earn their own way. There is the much greater difficulty for this government to open up the opportunities for socially-needed jobs that private business will not and cannot provide. There is the supreme difficulty for this government to muster up courage to tax people according to their ability, regardless.

But we do know that the idea of a guaranteed income is no longer regarded as impracticable. Why, half the members of the cabinet have spoken in favour of it. It has been urged by provincial leaders and social workers. Indeed, at one time the Prime Minister (Mr. Trudeau) gave the distinct impression that it was just around the corner so far as he was concerned. It has been a rapidly receding corner lately. Indeed, at this point I know I will be told that nothing, but nothing, can be done about a guaranteed income until we can get greater economic growth. Indeed, the white paper on social security is quite explicit about this. But to my mind, the need for greater economic growth is no excuse whatever for failing to redistribute fairly the very great wealth that we can and do produce now. That will not stop us planning for the economic growth we need.

Indeed, until we have proper planning for economic growth we have no hope of achieving the goal of guaranteed work which delegates to the Poor People's Conference have demanded as fundamental. A radical departure is required from our past and present attitudes toward economic and industrial growth. As a matter of fact Kenneth Galbraith is one of the few thoroughly sane economists I can think of at the present time. He is one of those who at present has been saying, for goodness' sake forget the book lore of the nineteenth century and look at the facts of the twentieth century which are staring us in the face. The idea that the faster you run the more economic growth you will provide and the more prosperity you will provide is a myth of the first order. You will provide the prosperity all right, but it will go to the top little group of people who have the control of the economic growth. It will not be redistributed or siphoned off to the people who need it.

We simply cannot go on with the suicidal procedure of seeking more markets for more products in order that industrial corporations can continue to make increasing profit while the gap widens between the haves and the have-nots at home and throughout the world. Some people have always known that this was immoral. Now a growing number of people are realizing that it is

unworkable as well. We have achieved miracles by modern technology, but technology has been responsible also for many of the very serious problems facing us today. Among these are the enormous growth in the world's population, the deterioration of our environment and the interdependence of a world shrinking because of the amazing advances in transportation and communications. Now, we must turn our technology toward the new goals of solving the problems which technology has created. Foremost among these problems is how we are going to give practical recognition to the fact that people are people wherever you find them. As humans, they have approximately the same needs for light and air and space, for housing and food and water, for education and work, rest and recreation, for intimacy and privacy, and above all, for growth and self-fulfilment.

If you do not believe me read a book like one of Margaret Mead's books or those of any other person who has studied people with black skins, white skins, yellow skins, rich people, poor people, and you will discover that these people are all human beings under the skin. They have human feelings and will not put up indefinitely with being used as things by people who have more affluence, more prestige and more power and who believe they can use these people indefinitely for their own advantage.

Because of the greater knowledge and inter-relationship among countries and peoples throughout the world today, there will be no end to the unrest and violence we are witnessing in increasing measure until some modicum of equality of income and opportunity is achieved throughout the world. Canada is where we begin. But we must begin elsewhere too. Last summer's white paper on foreign policy made no mention of the targets for external aid called for by the Pearson report. It called for at least one per cent of the Canadian national product by not later than 1975, a commitment that Canada made years ago but has only half reached. It did promise $60 million more for the following fiscal year, but as the *Oxfam News* commented:

> Here, however, is a conflict between two of the policy objectives given priority in the white paper—economic growth and social justice. In many areas, the review seems to oscillate uneasily between these two objectives—but where there is a clash of priorities, the emphasis comes down consistently on the side of economic growth—that is, growth for Canada. The Just Society is subordinate to the search for increased wealth.

I could add; that is, increased wealth for industrial corporations. This government began with the lofty objective of the Just Society. Today, it operates with a maxim of another kind: Principles are good but dollars are better. The dollars, of course, are reserved for the affluent at home and abroad. The poor must beg and share the pennies. Sometimes, when some of us urge the redistribution of income and the proper planning of production as I am doing today, we are told with an indulgent smile that we are naïve. Someone is naïve all right, but it is the people who believe they can operate the technology of 1971 with the ideas of earlier centuries.

The Canadian Economy

• (5:10 p.m.)

Speaking before the board of governors in Copenhagen last October, World Bank president Robert McNamara warned of the dangers ahead in a world where:

> At least a third to a half of the world's people suffer from hunger or nutritional deprivation and where the average person in a high standard area—

Meaning Canada, among others.

> —consumes four pounds of food a day compared with the average one pound and a quarter in a low standard area. Infant deaths per 1,000 live births are four times as high in the developing countries as in the developed ones. A man in the west can expect to live 40 per cent longer than the average man in the developing countries.

The figure may be a fraction higher in Prince Edward Island which has the highest record for longevity in Canada.

> There are 100 million more illiterates today than there were some 20 years ago—some 800 million illiterates today. The gap between the per capita incomes of the rich nations and the poor nations is widening, both relatively and absolutely. At the extremes that gap is already more than $3,000, and present projections are that it may well widen to $9,000 by the end of the century. In the year 2,000, per capita income in the United States in terms of today's prices is expected to be approximately $10,000; in Brazil $500; and in India, $200.

Mr. MacNamara further comments:

> Frankly I do not see this as a situation in which any of our shared hopes for a long peace and steady material progress are likely to be achieved.

Sober words covering a world of sombre foreboding. Conditions at home in Canada are going the same way, if less dramatically. The rich are getting richer and the poor are getting poorer. It is because our government refuses to recognize that the just society is not a slogan on which to get elected but the only way in which technology can be made to work without destroying us. I wish that the government would take the just society seriously and realize that it is the only recipe which can save us from being destroyed by our own technology. In world war II the British government, with its back to the wall in the dreadful struggle to save the British people from Hitler discovered that the only way it could muster the full productive potential and vital morale of the men and women of Britain was to effect fair shares for all. You remember how the King of England had a rim on his bath tub marked permanently so he would not use more water than the prescribed five inches that he felt he should have under the fair arrangements in Britain. They shared the scanty supplies of food and they shared the dangers and difficulties heroically. In the end, the British people proved invincible. I think that, in the end, the Canadian people will prove invincible, but only if we can genuinely share the good things in this country horizontally from coast to coast and vertically from the rich to the poor.

Today, I want to say plainly to the government that if they, and we, are to save Canada from all the forces that

will tear us asunder, they must do the same thing. They simply must take measures to bring the incomes of the Newfoundlanders up to the incomes of the Ontarians. They simply must take steps to prevent the 38 per cent of Canadian unemployed people being Quebeckers. They simply must find ways and means of working with the municipalities across Canada to finance hospitals and schools, sewage plants, transit systems and low income housing that are needed so badly and that would provide employment for so many. It is time they stopped pouring public money through the sieve of well-heeled corporations, Canadian abroad, U.S. and others, in the vain hope that the provision of jobs for people and not profits for shareholders will be the main consideration.

We need a new ethic to bind us together if we are to keep Canada in one piece and develop it into the lovely, harmonious country it could become. That ethic is the conviction that every Canadian has the right to share in the good things of this country and the responsibility to share in the planning and development of this country. My resolution is only the first step in building the confidence and co-operation essential for this tremendous undertaking. I commend this resolution to the very serious consideration of this government, knowing well that it embodies the absolutely essential first step to achieving a united country which will be of some use in bringing about a harmonious and united world.

Mr. B. Keith Penner (Thunder Bay): Anyone who has ever experienced the frustrations of being poor; anyone who has ever seen at first hand the social and psychological effects of poverty, must certainly be dedicated to the elimination of this disease in our society. The abolition of poverty, however, by redistributing income and planning production resources so that a more equitable standard of living for all Canadians is brought about is hardly possible within a short period of time. I say that because, on the one hand, a responsible government must concern itself with the goals of economic growth. This is what provides jobs for people.

The hon. member to my left indicated that this is the most effective way to eliminate poverty, and to that extent I agree with her. On the other hand, the government, besides trying to expand the economy and provide for its growth, must also search for ways to bring about a greater equity in the distribution of income. If there were to be a sudden increase in the redistribution of income in the form of a large expansion of income security programs, for instance, this could very well impede economic growth in a number of ways. It would shift government expenditures away from activities that contribute to growth, such as stimulation of new output, improvement in productivity, manpower training, research and so on. Increased benefits would have to be paid for by increased revenues through higher taxes, and that must result in higher production costs. These higher costs would result in a slowdown of the Canadian economy since Canadian producers would be unable to complete in both the domestic and foreign markets, and this in turn would result in still greater unemployment and a greater need for welfare.

[Mrs. MacInnis.]

• (5:20 p.m.)

In discussing the abolition of poverty, the problem begins with the question of how to define poverty. Although many definitions are possible, it is obvious that any single definition of poverty is arbitrary and clearly subject to disagreement. To the poor, however, poverty cannot be defined in statistical or sociological terms. Their condition exists as a daily fight for survival. Their deprivation is real, not a trick of rhetoric or statistics. Moreover, for many of the poor, poverty is not a temporary situation but an enduring fact of life.

In the usual sense, poverty exists when the resources of people are inadequate to provide a socially acceptable standard of living. The classification of what standard is socially acceptable, and the measurement of resources that people should have to keep up an acceptable standard, of course present many difficulties.

The Marsh Report of 1943 pointed out that a yardstick to determine poverty was necessary because the starting point for all social security discussions must be the minimum level of family income, and because such a standard measures the adequacy of existing legislation and social assistance practices. Once a minimum standard of living has been defined, there comes into existence as well the impetus to eliminate poverty. Therefore, the establishment of so-called poverty lines is necessary in order to have efficient social planning.

Poverty today is certainly something quite different from that which existed in pre-industrial and early industrial societies. Today, poverty in Canada is not so much a question of subsistence although, Mr. Speaker, there still is in existence some subsistence poverty, particularly I think among the native peoples of Canada. Mostly, however, poverty now is a question of relative deprivation.

Generally speaking, the standard of living of Canada's poor is related to a much higher across-the-board standard of living. Thus, poverty is no longer related only to the satisfaction of basic needs but also to the aspirations of people for higher standards. By some this has been called the revolution of rising expectations. The concept of minimum need in our affluent society extends far beyond mere physical needs to include conventional and social needs. A minimum standard budget, therefore, must represent the lowest possible level that does not compromise the family's physical health or their self-respect as members of the community.

In Canada, recommended intakes of food are suggested in the Dietary Standard for Canada, together with the Canadian Food Guide. The Report of the Federal Task Force on Housing stated that everyone in Canada is entitled to "clean and warm shelter as a matter of basic human right." As for space, the Central Mortgage and Housing Corporation has a standard for public housing which includes a kitchen, living room, a bedroom for two parents, and no more than two children in one bedroom. Clothing costs can be calculated on replacement rates.

Items other than food, clothing and housing cannot very well be based on scientific calculations, but it should be clear to all that when a family's income is just large enough to cover what is considered necessary for the maintenance of health and working capacity, poverty still exists and poverty still exists because money is also needed to satisfy those social needs which enable one to avoid being an object of pity or of ridicule in the community in which one lives. Canada has tried a number of different techniques in its efforts to fight poverty. There are some universal plans. There are some social insurance plans. But since it would be far too costly to provide social insurance and universal flat-rate benefits sufficient to meet all needs, there will be a continuing need for social assistance programs related to family income and needs.

Social assistance must recognize a family's need for adequate income, for the maintenance of personal dignity and independence, and as well it must encourage self-reliance. Social assistance should progress from poor relief to social insurance by improving assistance benefits, enlarging the concept of need, and by removing the moral stigma attached to recourse to assistance.

I just wish to mention in closing a word about guaranteed income, Mr. Speaker. Using this technique, the government pays subsidies to all poor households in order to raise their already low incomes, and to reduce or fully close the poverty income gap. This approach is less costly than universal payment plans, and is less offensive to recipients than the needs or means test. It is a more efficient anti-poverty tool than either the demogrant or social insurance techniques. The main thrust of this type of program is to help the working poor.

The guaranteed income or income test approach has been used in the case of the guaranteed income supplement for old age pensioners. By using this technique, Canada is one of the few countries in the world to have tried this new approach in which income tax data and the amount of the benefit are linked together. I think that all of us in this House recognize that we have a long way to go in our efforts to eliminate poverty. But having defined the problem, and having had the courage to face up to it, considering that there are always limitations of resources, I am convinced that some important steps forward have been taken, and I know that some other equally important steps may be expected soon.

Mr. Joseph-Philippe Guay (St. Boniface): Mr. Speaker, to abolish poverty in Canada is not an easy task, and indications are that no legislative action can achieve such an objective within a short period of time.

In the past, public policy in the economic field has been directed, as it continues to be directed today, towards maintaining a high level of income and employment, and in the social field towards the development of a comprehensive range of income maintenance programs and health and social services. It has been generally expected that as national income rose, and social security provisions improved, there would be fewer and fewer people living in poverty.

Much of our concern today centres around the fact that traditional economic and social policies have not solved the problems of our industrial society to the extent expected, and that our programs are not adequately meeting the needs of the poor. In order to examine the shortcomings of our system with regard to the poor, it is important to examine the concept of poverty and its consequences in Canada.

What is the meaning of poverty? The basic meaning of poverty is deprivation. The poverty-stricken are deprived in relation to the affluent and the well-to-do. A moment's reflection on the subject makes it clear that poverty varies with time and place in terms of recognized values. Starvation, death due to exposure, and loss of life due to some lack of resources are the only absolute forms of poverty, while the remaining types of deprivation are relative. Everyone knows that being poor in Canada means something different from being poor in India, and that poverty in Canada is much different today from that in the thirties or in many earlier decades.

• (5:30 p.m.)

Poverty involves both economic deprivation and social alienation. Economic deprivation develops when poor people have insufficient access to certain goods, services and conditions of life which are enjoyed by the rest of the community. The most obvious effect of poverty on personality is that children of the poor soon become conditioned to failure which, in turn, leads to social alienation. Expectations are first learned in the family and if continued failure is the expectation, ambitions of the young remain low. In this way poverty is self-perpetuating, passing from one generation to the next.

I think, Mr. Speaker, we ought to ask ourselves who are the poor in Canada. In labour market terms, the poor can be divided into three classes: the unemployed, the underemployed and the unemployable. The second category includes the working poor who are working full-time but whose earnings are abnormally low in relation to their needs. The third category includes retired people, widows and deserted wives with dependent children, the totally disabled and vocationally handicapped, all of whom have practically nothing to offer in the labour market.

An examination of the incidence of poverty in Canada for 1967 indicates that out of the 840,000 families estimated to live below the poverty line, about 60 per cent have family heads who are participating in the labour force. This includes both the unemployed and underemployed. The income of these families is presumably beyond public assistance levels and, according to the criteria underlying the determination of poverty lines, is not sufficient to maintain an adequate standard of living. More than half of the poor families in the labour force are headed by paid workers employed at low wages and with large families. Somewhat less than half are headed

by self-employed individuals who are engaged in farming, fishing, hunting or in small businesses.

Let me now talk about the unemployed. A major factor of poverty in families is the unemployment of the family head. In fact, the degree to which families are exposed to poverty varies with the employment of the heads of families. There is some unemployment even in the best of times and it is generally accepted that some unemployment is unavoidable. Because of structural changes, seasonal and other factors, a 4 per cent unemployment rate on a national basis means that not everyone can work, and that wages will be lower than they would be if there were greater competition for workers. It also means that young people without work experience, the uneducated and many others, fall victim to unemployment through no fault of their own and are thus exposed to poverty. Higher rates than 4 per cent would, of course, aggravate this situation still further.

At any given time people may be unemployed for a variety of reasons. In Canada, on the average, seasonal variations account for about one-third of total unemployment. In many of our depressed areas this is the principal cause of poverty. Those with limited education and marginal skills are finding work only with increasing difficulty. Technological changes, producing shifts toward occupations which call for higher education and particular skills, pose a growing threat to the uneducated and the unskilled. The victims of unemployment may be squeezed even harder in future years by an increase of automation. The combination of the computer and automated machine promises a tremendous increase in production, with a reduction in human labour requirements.

The underemployed are people working less than they want to, in part-time or casual jobs or at occupations where productivity and income are low. Underemployment in the latter sense is a major poverty factor, especially in rural areas, and can be regarded as incurable underemployment. For many male workers who are the heads of families, it is not the current joblessness that is the primary cause of poverty but, rather, the history of an erratic series of short-term jobs or a spell of uninterrupted employment at low pay, coupled with a large number of dependants to be supported out of family income. A large proportion of these people are working full-time, even though their wages cannot keep their families out of poverty.

Most of the full-time workers in this situation appear to be now engaged in low paying occupations. They may have more difficulty in obtaining needed help than a victim of unemployment. An unemployed person is eligible for unemployment insurance benefits and, when these expire, for social assistance. On the other hand, full-time workers with low earnings cannot get any further help even though their incomes are inadequate. Most provincial welfare departments are reluctant to subsidize full-time earnings in circumstances of extreme hardship. Welfare authorities have to consider the twin problems of weakening incentives to work and subsidizing inadequate wages.

The heads of about 40 per cent of families as well as 61 per cent of unattached individuals living in poverty are not in the labour force. As mentioned before, these include retired people, widows and deserted wives with dependent children, the totally disabled and the handicapped.

Let us consider the retired, Mr. Speaker. The aged population exhibits a relatively high degree of economic insecurity, despite the fact that more of the aged than of any other group currently draw some support from public programs. Moreover, the poverty of the aged affects considerably more people. Some aged persons are married to persons not yet 65 who are also poor, and others with no spouse are sharing the house of a younger relative. Still others, whose numbers cannot be estimated statistically, are supported in part by relatives not living in the same house.

As the aged move out of the labour market and into retirement, their incomes go down while certain of their needs grow. An indication of the extent of low incomes in this section of the population is indicated by the fact that in 1970 about 48 per cent of old age security recipients qualified for the guaranteed income supplement which assured an income of $1,337 for a single person and $2,674 for married couples. Deteriorating health adds to the problems of the aged as their faculties decline and their housing needs change. The cost of accommodation to meet such needs is often beyond the reach of the aged, since in most places subsidized housing and special services are not available to them.

May I now talk about the disabled. Of the estimated 1,300,000 Canadians who have some degree of permanent physical disability, about 520,000, or 3 per cent of the population, have disabilities classified as severe or total. One half of this group is of working age, but only one in four has earnings from employment. Disabled persons make up a significant part of the poor in Canada. Physical and mental defects that lead to disability affect a substantial proportion of the population. It is estimated that congenital defects, chronic diseases and accidents restrict at least one person in ten from carrying out the usual activities of daily living. Several provincial welfare departments have indicated that about one-third of assistance recipients are in families receiving aid because of ill health or disability.

• (5:40 p.m.)

With regard to the poverty of minorities, in the last few years, after decades of relative indifference, Canada has become seriously concerned with the plight of its native peoples. The attitudes surrounding Indians, Eskimos and Metis, both from within and outside their communities, have created a wall of misunderstanding between them and Canadian society. In the past they have been given little systematic help either to preserve the values of their own culture or to adapt to the demands of the white man's world. As a result, a high proportion of these people are chronically dependent and live in some of the worst conditions to be found in

Canada. The terrible plight of so many of the children of our minorities is unmistakable.

Regarding women in poverty, families headed by women, and unattached women, constitute a significant proportion of the poor. Of all families headed by women, about 35 per cent have low incomes. With a married couple, a wife participating in the labour force can boost the family income. The woman who is the family head can only count on her own earnings, if she works, which average less than a man's. Often such family heads are widowed, deserted, separated or divorced and have dependent children, making their economic and social position that much worse. With practically no income of her own, she may be struggling along on social allowance because she feels obliged to give her children full-time care or cannot find employment. On the other hand, she may be working part or full-time and coping as best she can with her children's needs in her off hours.

Why does poverty persist? It is often argued that anyone who wants to escape from poverty can do so simply by seeking and accepting work. It is contended that the poor should be expected to lift themselves out of poverty without any help from society. Those who favour such arguments ignore the social factors which prevent people escaping from poverty. The more important factors are family size, ill health, education, location of poverty, housing, low earnings and the poverty spiral. I could list many. I wish to deal with a few of these factors.

With regard to family size, the cost of supporting a large number of children can result in poverty for workers with even relatively high earnings. The average Canadian family has three or four children. While the birth rate has been dropping steadily in recent years, the decline has not been uniform. Rural-urban differences and differences between socio-economic classes are still noticeable. Families in which the head had the least education are generally the largest. Consequently, big families have the least capacity for overcoming poverty and tend to have the worst poverty problems.

On the matter of ill health, the results of the Canadian sickness survey of 1950-51 indicate that ill health is one of the main reasons for people becoming and remaining poor. The low income group suffer proportionately from more disabling illnesses than the rich, and receive a smaller amount of health care. Children under 15 in the low income group are also more affected than those of corresponding age in higher income families. Although the most advanced medical techniques in the world are available in Canada, the poor receive a lesser advantage from them. In fact, the sickness survey confirmed for Canada the crude correlation shown by other studies between infant mortality rates and per capita personal incomes. Ontario, with the highest income, had the lowest death rate; Newfoundland, with the lowest income, had the highest.

There is evidence to prove that no group suffers more ill health than the poor. Medical authorities state that the poor have more heart disesase, rheumatoid arthritis, unrehabilitated injury, mental illness, tuberculosis, illness whether chronic or acute, and higher death rates in all ages than do Canadians at large. Medical advances benefit the poor only after a certain time lag.

With regard to education, the relationship between low levels of education and poverty is obvious. A 1966 DBS study showed that in February, 1965, workers with some elementary schooling or less had an unemployment rate of 13.8 per cent, compared with 1.9 per cent for those with high school education or more. Also, with respect to duration of unemployment the study shows that 63 per cent of workers who finished elementary school or less were unemployed for four months or more, compared with 10 per cent for those with high school education or better. In 1961, 47 per cent of all Canadians aged 15 and over had no more than elementary schooling. With a high proportion of the poor being uneducated, it is unrealistic to expect great improvement in terms of income. Those with a low level of education receive the low paying jobs which offer little opportunity for advancement.

Regarding location of poverty, Canada has two kinds of economic inequality related to geography: urban-rural and regional. More than half of Canadian low income families live in cities and 45 per cent live in rural areas.

[*Translation*]

The Acting Speaker (Mr. Laniel): Order! I regret having to interrupt the hon. member, but I must point out to him that his allotted time has now expired.

[*English*]

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, I came into the House for private members' hour today primarily to listen to the hon. member for Vancouver-Kingsway (Mrs. MacInnis) present, defend and develop the motion she has put before the House. I did not intend to enter the debate. However, in light of some of the points she has made, I wish to make a few spontaneous remarks on what I consider to be one of the most important notices of motion to appear on the Order Paper to date.

Having listened to the lecture and the rhetoric of the hon. member for Vancouver-Kingsway, I cannot help but feel that she and her colleagues must be disappointed in the substance of what she has said. There is no question but that she was critical of the government. It is undoubtedly true there are areas in which the government can legitimately be criticized. That is a truism. It is certainly the case that poverty presents us with a problem, perhaps the most serious and pressing which we confront at this time. But when the hon. member introduces a motion which deals with the concept of redistributing income, of planning our productive resources and creating wealth by using modern technology, I do not find it easy to forgive her for failing to elaborate on the substance of her motion or to offer any detail concerning the reasonable and important concepts we are asked to consider.

• (5:50 p.m.)

When the hon. member came to the gut issue, the central part of her motion having to do with the redistribution of income, her proposition amounted to this: adopt a workable plan for a guaranteed annual income. We have all heard these clichés, we have heard these slogans, we have heard these suggestions from a variety of sources. The question to which we must address ourselves is: What is this workable plan and what, precisely, do we have in mind when we speak about redistributing income? The hon. lady embellished one cliché with another cliché. She talked about taxation according to ability. Where does that put her, or the party of which she is a member? I am sure there is no one sitting in this House who would not agree that people should be taxed according to their ability. What, precisely, does it mean?

Embellishing the second cliché with a third, and summing up the totality of her argument, she talked about using the resources of technology to deal with poverty. Again I express my disappointment. The hon. member is concerned about this question. She is as concerned about it as any member of this House, and has so demonstrated on many occasions. Today she added nothing to our knowledge of this question or of the possible solutions. I am sure this does not stem from a lack of good will on her part or from a lack of good faith, but it does underline the point that the hon. lady has been unable to advance our thinking on the subject. She has demonstrated the point made by my hon. friend from Thunder Bay (Mr. Penner) and my hon. friend from St. Boniface (Mr. Guay), that the whole subject is infinitely more complex than either she or other members of her party are prepared to admit.

I turn now to a conference which took place over the weekend, the Poor People's Conference, in order to make one or two observations about its importance as one of the new and more interesting developments which have emerged in the past two or three years. I have not yet seen the resolutions from the conference but I have read some of the press reports of the proceedings. What is perfectly clear is that in Canada today we are entering upon a new period of militancy. Supported by organization, a sense of purpose and a will to do something about conditions of poverty, the poor themselves are joining forces to do something about their situation. This represents an important change and in my view it is a most hopeful development, though it will not in itself put an end to poverty.

If there is any group in our society which can make hon. members of this chamber and legislatures across the country aware of the national dimension of poverty, the inadequacies of our welfare system and of our housing programs, it is the poor themselves. When the poor themselves organize militantly, strongly and determinedly we shall become more conscious of their needs, and the pressure to get away from the slogans and from the clichés in which we have all been indulging over the years will become so great as to be undeniable. At this point the measure of Parliament and of the legislatures will be taken.

One of the things which has disturbed me most about the Poor People's Conference is that because these people are meeting in Toronto to upset the status quo, questions are raised suggesting that they are engaged in a movement which is, somehow, seditious. The questions were asked today: Who organized this group? What is their background? If I am wrong, I apologize in advance, but it appears to me that implicit in this sort of questioning is the suggestion that this is not an authentic Canadian organization of people who are concerned about the future of their country. Somehow, the suggestion is made, as it was in an editorial in the Peterborough *Examiner*, that this was a seditious conspiracy; look behind it and you will find the Communist party or some other sinister group.

Well, if the Communist party is behind this, it is to their credit, because they have recognized a problem and are ventilating it. I am tired of the implication that every time people in lower income groups get to their feet and raise questions about welfare or housing conditions, their patriotism and their integrity can be called into question. I am tired of the suggestion that the poor are being used by groups whose intentions are sinister, thus clouding the real issues.

I hope this conference has dispelled some of the myths prevalent in this country about the poor. One of the questions which is invariably asked whenever one talks about welfare is: Are these people really prepared to work; are they really prepared to contribute? As we have seen from the reports of this conference, this question was put squarely by the people themselves and is being answered positively. They say: Give us work and we will do it. The hon. member for Vancouver-Kingsway told us there should be jobs for these people, that everyone in this country should have work to do. This is a noble position to take.

Mr. Peters: You mean there are some who do not support that proposition?

Mr. Faulkner: No one opposes that proposition, but the question to which we must address ourselves—and no enlightenment has come from members of the NDP—is this: How can substantially more employment be provided? Perhaps we should be talking about the prospect of full employment and whether it is realizable.

The Acting Speaker (Mr. Laniel): Order. The hour appointed for the consideration of private members' business having expired, I do now leave the chair, to resume same at 8 p.m.

At six o'clock the House took recess.

[*Translation*]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

PENSION ACT AND CIVILIAN WAR PENSIONS AND ALLOWANCES ACT

PROVISION OF INCREASES IN BENEFITS

The House resumed consideration of the motion of Mr. Dubé that Bill C-203, to amend the Pension Act and the Civilian War Pensions and Allowances Act, be read the second time and referred to the Standing Committee on Veterans Affairs.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, before recess we were considering Bill C-203 which aims mostly at making the existing veterans legislation more flexible.

We were saying that this bill certainly had much merit because we often-times noted that the legislation which had not been amended for a long time, was in need of change. We are happy that the minister saw fit, perhaps a little late unfortunately, to make more flexible the legislation which at present makes it possible for all veterans to receive a pension.

Our main criticism of the bill is that it does not provide for an annual automatic adjustment of the pension to take into account the increase in the cost of living.

Although the Prime Minister (Mr. Trudeau) has stated over the Christmas recess that inflation no longer existed in Canada—just as if one fine morning he had met inflation on the street and had grabbed it to throw it into the nearest garbage pail—price inflation and pocket deflation still exist in Canada. In fact, they still exist as far as veterans are concerned and they will continue to exist as long as the Minister of Finance (Mr. Benson) tolerates the present financial system in which price inflation and pocket deflation find their roots.

Mr. Speaker: Order. I must remind the hon. member that the House is now studying a bill dealing with veterans and I do not believe that he can take this opportunity to discuss the Canadian financial system.

It seems to me that he is straying from the question somewhat and I would ask him to limit his comments as far as possible to the essence of the bill under consideration.

Mr. Rondeau: Mr. Speaker, I understand that my remarks were not altogether relevant, but as we are dealing with pensions I was saying that the Minister of Veterans Affairs (Mr. Dubé) should have provided for an automatic yearly adjustment of the pension so that the latter would remain in line with the cost of living which I was commenting upon.

If the Minister of Veterans Affairs had included such a clause, he would have rendered a valuable service to all veterans whose pensions are constantly eroded by increases in the cost of living, although the Prime Minister has announced that its vertiginous ascent would be stopped by a suppression of inflation.

The 10 per cent increase of pensions provided by this bill represents roughly the cost of living increase for an 18- month period. That is the reason why the increase provided in this bill does not constitute a long term measure, considering inflation.

Before putting an end to my comments, I hope that the new Pension Review Board which will be asked to study the cases of veterans will do so in a humanitarian spirit, and that veterans who will have to call upon the board do not have to put up with a lot of red tape.

Thus, vexations would be eliminated rather than the greatest possible number of applications from veterans through a useless multiplication of required formalities.

Mr. Speaker, we shall have other opportunities to discuss this bill, whether in committee or on third reading; we hope that the committee will make recommendations out of these suggestions so that the minister will be able to take them into consideration and turn them not into words but into concrete actions; the bill has been delayed quite a while before being returned to the House and I think more time will be needed to complete its consideration.

That is why I feel the Minister of Veterans Affairs should take this opportunity to incorporate all valid recommendations into the act. To my mind, the recommendations of the committee and those of this House are valid because they are based on facts. I am thinking of some of the anomalies in the act which we want to eradicate by the passing of this bill and certain amendments we will propose on third reading.

Still, we must congratulate the minister for having introduced this bill which, on the whole, pleases many veterans, for it has been expected for many years. It will serve at least to reduce the bureaucracy and give more flexibility to the administration. The Review Board is intended to make decisions more human. Formerly, they were made by a civil servant and there was no right of appeal.

I congratulate the minister and I ask him to kindly take into account our recommendations, especially those of the committee.

• (8:10 p.m.)

[*English*]

Mr. Ross Whicher (Bruce): Mr. Speaker, it was rather amusing for one to sit here all afternoon and listen to the official spokesmen of the opposition parties very grudgingly give credit to the Minister of Veterans Affairs (Mr. Dubé) for the step forward he and the government have undoubtedly taken for the veterans of Canada. I appreciate that books have been written about the duty of opposition parties being to oppose. I always have felt that opposition should be tempered by common sense. In this instance, instead of casting any reflection on the minister responsible for this legislation, each and every member of the opposition parties should give him due credit, and credit is certainly coming to him. Most certainly this is the way the veterans of Canada feel about the minister.

May I respectfully suggest that in your quieter moments, Mr. Speaker—I know that they are not numerous—you read the national magazine of the Royal Canadian Legion. On the front cover of the January,

1971, issue appears the words "A great step forward". If you have time, Mr. Speaker, you might turn to page 10 of that magazine and read the editorial which reiterates this statement on the front page. The editorial is entitled "A great step forward—amendments to the Pension Act—the most extensive improvements in half a century". Those words express the feelings of the veterans of Canada for this government in respect of Bill C-203. These are the observations the minister should read and digest. He should consider criticism when it is advanced in a proper manner and, if necessary, change some parts of the bill.

On the other hand, may I respectfully point out that all that we as Members of Parliament have to do to answer the criticism put forward by opposition members this afternoon is ask this question: Would they prefer to be pensioners under Canadian laws, or pensioners under English laws? Would they rather be Canadian veterans, or Polish veterans? Everyone knows how hard the Poles fought during the last war. I had the privilege of fighting with one of their divisions in Italy and France. I assure the House that no one fought harder than they did, and no one suffered more casualties on a percentage basis I again respectfully ask members of the opposition parties whether they would rather be Canadian veterans living in Newfoundland or any other part of Canada, veterans of the Polish army living in Poland, or veterans of the English army living in England.

Let us examine the pension legislation of the wealthiest country in the world, the United States. Let us compare that legislation with Canadian legislation. I do not refer specifically to the legislation proposed in Bill C-203 but the legislation as it has existed until now. Hon. members will find that even before the introduction of this bill, Canada took second place to no country in the world as far as its treatment of veterans was concerned. That does not mean there cannot be improvement. This government, as has been the case with governments in the past, is worried because of the effect inflation and the rising cost of living has had on pensioners in this country. These veterans, just as anyone else, deserve an increase. According to the Canadian Legion, Canadian veterans have accepted this bill almost in its entirety. They have congratulated the minister for taking this great step forward in veterans legislation.

Once again this afternoon we heard from an hon. member of the House who is looked upon with fondness, not only because of his gentle manner but because of his common sense. I refer to the hon. member for Winnipeg North Centre (Mr. Knowles). He congratulated the Minister of Veterans Affairs but suggested that these increases, rather than starting next April 1 should be made retroactive to April 1, 1970. Let me say respectfully to that hon. member and others that I appreciate the remarks of the hon. member for Winnipeg North Centre. Anyone can promise anything if he does not have to back up his promises. I do not know how long the hon. member has been here, but I would guess it is probably 20 years. I say most respectfully that if he is here another 30 years, and he will be a reasonably old man by then—

Mr. Knowles (Winnipeg North Centre): Oh, no!

Mr. Whicher: —will never have to back up the promises he made this afternoon or those which he makes almost every day of the week.

Mr. Marshall: Would the hon. member permit a question? I wonder whether, under the War Veterans Allowance Act, the hon. member knows how much advantage a veteran aged 77.6 years will receive from the increases which will become applicable on April 1, 1971.

Mr. Whicher: That is a very good question. I have not figured out the answer. I will let the veterans of Canada figure it out for the hon. member. The Canadian Legion has said that this legislation is a great step forward, and in this way I think the veterans of Canada have answered my hon. friend. We should be proud of the veterans legislation which has come into effect in the past. I have the honour of being a veteran, along with dozens of members of this House. I think we should compare our veterans legislation with similar legislation on a world-wide basis. We should compare our veterans legislation with that of the United States. Pensioners in that country receive much less than our pensioners.

The veterans of this country, including those in this House in all parties, fought hard against a great race of people who were our enemies at the time. Those enemies were very fine fighters. I refer to the German race. I should like to know how much veterans living in west Germany receive in pension. If the hon. member has any idea, I ask him how much the veterans now living in east Germany receive in pension. They receive about 30 per cent of what Canadian veterans are receiving. We should be proud of that fact. We should be proud, not because German veterans are receiving less but because our people are being looked after to the limit of our financial resources.

One hon. member said today that veterans on disability pension were only receiving 10 per cent. It was said that a certain percentage is lost each year because of increasing inflation, and that pensions have not kept up with the cost of living over the years on a comparative percentage basis. We must remember that we are not only concerned with the increases proposed in Bill C-203. We must remember the percentage increases of the last seven years. Veterans pensions have increased in that period by over 50 per cent. This is something of which the Liberal Party, which is in power today, and the Conservative Party, which was in power for some time, can be proud.

There is to be an increase of 15 per cent in war veterans allowance. A married couple will receive $201 per month and a single person will receive $121 per month. We must also remember that veterans will be allowed to earn additional money. A married couple will have the right to earn up to $271 per month, and a single man will have the right to earn up to $161. These figures may seem somewhat insignificant, but I respectfully remind hon. members that the increase in disability pensions will cost the taxpayers of Canada $22 million per year and the increase in war veterans allowance will cost $21 million per year. In total, probably at least $50 million is being given by the taxpayers, and rightfully so, to

the veterans of Canada. Perhaps this should have been given in the past. We would have been glad had this happened in the past. Nevertheless, when one is considering what should be done, one must keep two things in mind. First, we must remember that the veterans of Canada are number one, and second we must consider how much the taxpayers can afford to give in order to have happy veterans, which presumably we will have as a result of the implementation of this bill.

• (8:20 p.m.)

I suggest most respectfully, Mr. Speaker, that members of the opposition are whistling Dixie when they try to be critical of this bill. I was impressed this afternoon by the reference of one opposition member to the 100 per cent pensioners who have severe disabilities, for example, the paraplegics. I remember very well a lad who had been wounded in Korea. He was an absolute physical wreck. When he attended our meetings, he sat beside me. I gave him a cup of coffee. I had to hold it to his lips because he was unable to hold it himself. No one can be too sad in such a case. Here is a young man who has given his all for his country. The question, however, is how much money one can pay to such a man. If we gave him $1 million, would he take it? I am sure not one member of this House would change places with that boy for $1 million. Obviously, we cannot give it to him in any event. Therefore, in my opinion we must arrive at a respectable figure for those who are totally disabled. It must be a figure which will allow them to provide for themselves food and drink, the very best housing, an automobile and all the comforts of life. By this legislation which is being introduced by the Minister of Veterans Affairs I am sure they will be in a position to afford these things.

After all, these veterans are to receive an increase of 10 per cent in their basic pension, and it has been suggested they receive an extra $800 to $2,400 a year provided that money is needed. I believe this is good, common sense. I have examined this bill very carefully. I appreciate what has been said about the committee. I appreciate that veterans representing many organizations appeared before the committee which met on many days over a period of many weeks. As has been said, they became part of us. In my opinion, they and the members of the committee did an excellent job. We all realize we cannot give too much to a veteran, but because of the increases suggested in Bill C-203 I, along with other veterans of Canada, agree with the editor of The Legion that this legislation is a great step forward.

Mr. Marshall: Mr. Speaker, I should like to remind my hon. friend, who referred to German veterans receiving only 30 per cent of what Canadians receive, that they do not deserve .03 per cent because of the hardship they inflicted upon many people and because of the six million people who were destroyed—

Mr. Speaker: Order, please. This is debate; it is not a point of order.

Mr. J. Chester MacRae (York-Sunbury): Mr. Speaker, I should like to enter this debate because of its importance to me and to the veterans of Canada. I was very pleased to see that the first item of government business for this session was to be Bill C-203. I wish to join our distinguished colleague from Winnipeg North Centre (Mr. Knowles) who regretted that it had taken so long for this legislation to be brought before the House. I do not entirely blame the minister for this. I think he would have been very pleased to introduce the legislation long before this date.

The veterans affairs committee of this House of Commons has been a good committee. I have been a member of it for 13 years. The committee which studied this matter for 16 months was an especially good committee which had a very good chairman. I think we worked together very well. But it is 16 months since we began our study of the Woods commission report. The hon. member for Winnipeg North Centre mentioned, as I believe others have, that the 10 per cent pension increase which is to come into effect on April 1 should be retroactive. I believe the government somehow or other should find the funds with which to make payment to our veterans retroactive to last October or, preferably, for a full year.

I am particularly interested in clause 1A of the bill which provides as follows:

> The provisions of this act shall be liberally construed and interpreted to the end that the recognized obligation of the people and government of Canada to provide compensation to those members of the forces who have been disabled or have died as a result of military service, and to their dependants, may be fulfilled.

There is this statement in the explanatory notes:

> —The purpose of this amendment is to make clear—

That is, to the Parliament of Canada, to the government of Canada and to the Pension Commission.

> —the purpose of the Pension Act and to give guidance to those persons charged with its administration.

I feel this section is well worded. I was interested to see that clauses 57 and 58 in part IV of the bill deal specifically with Hong Kong veterans. We have been promising this particular aid and recognition for a long time. The plight of those who served in Japanese prison camps was more devastating than that of most of us who served in World War I or World War II. It has been said that civilization is just a coat of paint. That was especially true between 1932 and 1945 in Germany, when under Hitler there was the greatest tyranny the world has ever seen. The genocide of six million Jews is one of the blackest chapters in the history of mankind. Civilization was also shown to be just a coat of paint by the Japanese treatment of Chinese, Australian, New Zealand, United States and Canadian prisoners. There is very little parallel in history.

I was glad to see that recently—we all have received this publication—a national association of war prisoners was formed. Now that our Hong Kong prisoners have received some measure of recognition, I think we might very well direct our attention to the men who served in prisoner of war camps in other than the

Far East. There is no question that those who were deprived of their freedom and were herded into prisoner of war camps, those who had the minimum of food to keep them alive, who were humiliated and in some cases were shot because they tried to escape, should now be given more recognition than perhaps they have in the past.

• (8:30 p.m.)

The hon. member for Malpeque (Mr. MacLean) will speak later and perhaps he will tell the House that when he was shot down over northern France his co-pilot survived to be taken prisoner of war. When he tried to escape from a German prisoner of war camp, he and 50 others were shot on the orders of Adolph Hitler. We know only too well that those who served in the Royal Canadian Air Force, especially prisoners who were in eastern Germany near the end of the war, were marched across Germany in the late winter and early spring. They slept in ditches, in the snow and in barns, and they lived on turnips.

We know what happened to the prisoners of the 12th SS Panzer division in France which was commanded by a general named Kurt Meyer who later served a sentence in Dorchester penitentiary for his war crimes. Almost every man they took as prisoner never reached a prisoner of war camp but was shot on the spot, usually with his hands tied behind his back. Others who did survive witnessed this.

I have said that we should give special consideration to our Hong Kong veterans. I realize, as one deeply interested in veterans affairs, that every case is different, just as every man's service is different from that of every other man. May I say this on a purely personal note. It is a little more than 30 years ago when, as a young officer, I was stationed on an island in the St. John River at Woodstock, New Brunswick. It was a pleasant time. We were fit, and it was a wonderful way to fight a war. But it was very different indeed from the shell-fire on the Normandy beaches at Carpiquet and Caen. It was different from the service of those who flew over Germany when the flak was so thick that they said you could walk on it. It was different from the service of the men who served on the little ships on the North Atlantic, covered with ice two or three feet thick. If they slipped, they had five minutes in the North Atlantic before they died.

I believe that every man who served in action lost ten years of his life, not just the five or six years that he served. Colonel John McCrae who wrote "In Flanders Fields" wrote other poems, among which was one about South Africa, where he served. He wrote:

> That day of battle in the dusty heat
> We lay and heard the bullets swish and swing
> Like scythes amid the over ripened wheat
> And we the harvest of their garnering.

The effects of the war are now being felt more and more by the men who served. We see it now when we read The Legion each month. I wonder if I will see the names of some of my friends there among those who have died. More and more we see World War II men dying in their mid-fifties, in many cases suddenly. The incidence of heart attacks among them is very high, as I am sure it was among the World War I survivors at that age. Perhaps it was never recognized that this was due to their service.

I have on my desk the cases of two dozen veterans in whom I am interested. Several of them have had heart attacks as young men. There is also a high incidence of mental illness among them. I do not think it is good enough to say that they would have had heart attacks or mental breakdowns anyway. These are men who have been in action. When we were being discharged, the general objective was to get out as fast as one could—to get out of the uniform and into civilian clothes. Perhaps if we had had a more thorough examination at that time much of this might have been discovered. It was even worse after World War I, when if a man could walk and was warm, away he went for discharge and that was the end of his service. Some of them were so anxious to get out that they even concealed disabilities which they had. Eric Maria Remarque, who wrote "All Quiet on the Western Front," said the following of those who served in World War I:

> A generation destroyed by war even if it was spared by its shells.

This also could be said of those who served in World War II. Why did men and women do this? Why did they serve? They served because they valued freedom. It has been said, callously, that some served because they did not have a job; others because they were adventurers. Maybe that is true of some, but the great majority, more than 1½ million men and women who served, did so because they believed in the ideal of freedom. What were they willing to give up? The inscription on the tomb of the Unknown Soldier says that here were men and women who were willing to give the most that man can give, life itself, for God, for King and country, for loved ones, home and empire, for the sacred cause of justice and the freedom of the world. Those are the men and women whom we are considering this evening.

Mr. Hubert Badanai (Fort William): Mr. Speaker, the Minister's masterful introduction of Bill C-203 this afternoon, and the speeches of several hon. members who followed him in the discussion dealt with every aspect of the legislation. Inasmuch as there is unanimous agreement on its substance, I propose to be brief and to allow other hon. members an opportunity to be heard.

There was never any doubt about the government's intention to live up to the promise made by the Minister of Veterans Affairs (Mr. Dubé) since he was appointed minister, that a bill would eventually be introduced designed to incorporate into the Pension Act the best possible deal for veterans that the country could afford at this time. All the proposals of the white paper, many of which greatly improved and expanded the act, provide better benefits and in some instances even improve the recommendations of the Woods report.

As a member of the Standing Committee on Veterans Affairs charged with the responsibility of hearing sub-

missions from veterans organizations from across the land, including studying various recommendations, proposals and counter proposals over a period of several months, I am very happy and proud that the results contained in the bill under discussion are, by and large, considered to be very satisfactory by all concerned.

The editorial in the most recent issue of the national magazine of the Royal Canadian Legion, mentioned by the hon. member for Bruce (Mr. Whicher), expresses genuine satisfaction with the bill. With your permission, Sir, I wish to read part of it. The headline reads, "A New Deal for Veterans." The text reads as follows:

Another milestone on the long road toward obtaining war pension legislation improvements was passed last month with the introduction of Bill C-203 in the House of Commons by the Hon. J.-E. Dubé, Minister of Veterans Affairs.

The scope of the legislative changes in the Pension Act—the most extensive in half a century—reflect the sincere concern of the minister and the government for the welfare of those who, when they were needed, placed their lives at the disposal of their country and for whom Canada has a special obligation.

• (8:40 p.m.)

It is a source of deep satisfaction to the Legion and other nationally chartered veterans organizations that the proposed changes in the Pension Act meet most of the requirements that were set out in the Woods report, and subsequently supported by the parliamentary committee on veterans affairs.

The improvements in the bill, such as the pension review board and the extra allowances for multiple disabilities, have clearly indicated that the minister meant what he said when he gave assurance in the House some months ago that the government's views in the white paper were not "rigid or immutable" and that the recommendations of the veterans affairs committee, which supported many of the proposals by veterans' organizations, would be given "full and sincere consideration."

Other important changes, such as the special pension status to former prisoners of war of the Japanese, the establishment of the veterans bureau as a separate entity with a closer relationship with pension claimants, the broadening of the "benefit of the doubt" clause, the new appeal procedures, and the more humane approach to the whole system of awards, should go far to remove many of the wrongs that have irritated disability pensioners for many, many years.

The sincerity of the government in dealing with this legislation is best illustrated by the appointment of Mr. Donald Thompson as chairman of the War Veterans Allowance Board, who served for 11 years as Dominion secretary of the Royal Canadian Legion, one of the most active, untiring and dedicated persons to the welfare of war veterans that I know. I am sure that this appointment will please war veterans from coast to coast. I should like to extend to him my personal congratulations. At the same time, Mr. Speaker, I hope you will agree that the Minister of Veterans Affairs, who made this appointment, should share in the general congratulations which this move will surely generate.

Every one of us, especially those connected with veterans affairs, knows the minister well, appreciates the fact that he accepted the responsibilities of his office with dedication and humility and firmly resolved to do for our veterans what no other minister dared to do for them in the past. The minister insisted on introducing legislation for the welfare of veterans, legislation second to none in the world, with modern concepts of social justice and of obligation to those who in war and peace have placed their lives at the service of their country.

I should also like to congratulate the chairman of the Standing Committee on Veterans Affairs, the hon. member for Ottawa West (Mr. Francis), who presided over no less than 39 meetings with infinite tact and consideration, to say nothing of the patience which he demonstrated during some especially complicated and long discussions. On the other hand, members were really interested in advancing the best possible methods of dealing with intricate questions.

By introducing this legislation the nation has recognized a debt to the disabled veterans, the crippled and the blind. Mr. Speaker, as the years go by it is regrettable to observe that as November 11 rolls around, fewer and fewer people are formally observing Remembrance Day. But while public response may have paled, the significance of November 11 remains unchanged. The courage and valour of those who fought in the wars for freedom and suffered wounds and loss of limbs, are branded on the pages of history. Mr. Speaker, their contributions are without equal, and by approving this legislation we will merely be expressing our thanks for their blood and their courage.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I am especially pleased to have an opportunity to speak briefly in this debate. It is a well known fact that in times of national emergency we call on our young men to defend our country against aggression. In times like that we appreciate, perhaps more than we do in ordinary times, the value of the freedoms we all cherish, and we conclude that we are morally justified in asking our young men to volunteer for the defence of their country, as many living Canadians have done on two or more occasions.

When these crises pass, a grateful nation feels that it owes a debt of gratitude to those who have defended it against aggression, and it is well for us to recall that on at least two occasions we in Canada, in common with most of the western world, came within a hair's breadth of losing the freedoms that we cherish so highly. We escaped that fate by the skin of our teeth. In such a situation there was a common feeling among the citizens of Canada that the nation had a high moral obligation to those who had served in the armed forces in time of war. One way they felt this moral obligation could be discharged was to compensate as much as possible veterans whose health was damaged because of war service, or who were disabled because of wounds and therefore to some degree were incapacitated with respect to earning a livelihood. It was felt that veterans who had disabilities should be compensated at least by an amount equal to the wage of an unskilled labourer. That was the attempt, originally, and in 1920, at the end of World War I, the amount provided under the Pension Act was $900 a year, equivalent to that paid to a cleaner or a helper in the federal civil service.

But as time passed, with the depreciation in the value of money and the increase in the cost of living, veterans

pensions always lagged behind. Eventually they were adjusted, but never quite up to the equivalent of the earnings of an unskilled labourer. Adjustments were made retroactively, so to speak, so that our veterans' position always fell behind that of the unskilled labourer. As a result, the differences between the veteran's pension and the wage of an unskilled labourer were cumulative. This was pointed out very forcibly in a submission made to the Prime Minister (Mr. Trudeau) and the cabinet entitled, "the Crisis in Veterans' Pensions and Allowances". It was made by the national veterans' associations of Canada. I will not list them. There are 11 or 12 of them. The brief reads in part as follows. I quote from page 3:

• (8:50 p.m.)

A history of pension increases shows that in 1920 the amount provided under the Pension Act was $900 a year. This was the equivalent of the amount paid to the cleaner and helper in the federal civil service. No further increase was granted until 1948, when the basic rate of pension became $1,128. Subsequent increases resulted in maximum pension as follows:

The pension went up to $1,500, then to $1,800, to $2,160, to $2,400, to $2,760, and to $3,180. These would be 100 per cent pensions. I point out that very few veterans, of course, qualify for a 100 per cent pension. Therefore, we should not assume that every veteran who receives a pension gets anything like this amount per annum. The brief goes on to say:

It is understood that the cleaning serviceman (formerly cleaner and helper) is no longer rated as a standard classification and has become subjected to regional fluctuations. It is still possible, however, to isolate and identify a category of male untrained worker in the public service of Canada. In this respect, our survey indicates that the average wage for such category is approximately $4,500 per annum.

Using this category as a replacement for the cleaner and helper, the gap between the original basis of war disability pension and the equivalent being earned by unskilled labour in the federal civil service is now approximately $1,300 per annum.

That is one measure, Mr. Speaker, of the cumulative effect of lags in the adjustments to the pension paid to our veterans. Of course, as time passes it is understandable that the memories of situations which existed in World War I and World War II should fade. Those memories have become less vivid in the minds of the public and, therefore, in the minds of the electors; and governments perhaps tend to be less sensitive about the need of veterans as time goes by. A new generation is growing up which has no memories of the crises through which our nation has passed.

A number of myths about veterans are held by some people, and especially the young. They assume that practically every veteran receives a pension. Although I do not have up-to-date statistics, figures of a little over one year ago indicate that of the 961,000 veterans of world War I and World War II who were then living, only 169,000 were in receipt of disability pension. Therefore, less than one in five received any pension. The figures include dependants, widows, and so on. So far as war veterans allowance is concerned, only 85,000 out of one million veterans receive war veterans allowance. That is less than one veteran in 11.

I want to disabuse the minds of those who think that all veterans receive pension whether they need them or not. According to the history of the administration of pensions, they have been very restricted. It is rare indeed for a veteran to get any pension or benefit to which he is not entitled. On the other hand, I am certain that thousands of veterans receive no pension because of the difficulty of establishing technically their entitlement to pension.

Mr. McIntosh: Shame.

Mr. MacLean: This process has been going on over the years. It is 25 years since World War II ended, but I am sure every member of the House receives correspondence from veterans who are still trying to establish their entitlement to pension. Another view that many people hold erroneously about veterans pensions is this. Many people say, "The Veterans' Land Act administration was set up to help us deal with veterans. We settled them in rural areas of the country, and therefore most veterans live in little establishments that were subsidized by the government shortly after the war." People think that the cost of living of the veteran is not very high and that increases in the cost of living, and the rate of inflation, do not affect him much. Nothing could be further from the truth, Mr. Speaker. Sixty five per cent of our veterans live in urban areas. There are 154,000 of them living in Toronto, and 100,000 in Montreal. As a result, they feel the full effects of increases in the cost of living.

I wish to make a few remarks specifically about Bill C-203. I congratulate the minister, the Standing Committee of Veterans Affairs, the officials of the department and the veterans organizations which appeared before the Woods commission and the House committee. Their actions and arguments resulted in these improvements to the Pension Act. I am pleased that special recognition has been given to veterans who served in Hong Kong and were prisoners of the Japanese. I think that, is a good move. I think it is also excellent that special allowances are to be given to 100 per cent pensioners who have exceptional disabilities.

The bill, however, deals chiefly with the administration of the Pension Act. I think that the changes in the bill are improvements in most cases. However, even the improvements will tend to dislocate the administration of veterans pensions. This detrimental effect will be felt temporarily, until those who administer the act become completely conversant with and efficient in its administration. I think the formation of the bureau of pension advocates outside the department will be beneficial. The same applies to the pension review board. The redefinition of the benefit of doubt is long overdue; however, I am still skeptical whether the improvement has gone far enough. I am sure many veterans still suffer because they were not given the benefit of the doubt in the sense that Parliament intended when the veterans legislation was first introduced.

Also, there are omissions from the bill. It is not logical to say that a widow should not qualify for a pension if

the veteran to whom she was married was in receipt of a pension of less than 48 per cent. Provision should be made for a pro rata pension for widows of veterans receiving a pension of 48 per cent or less.

• (9:00 p.m.)

Mr. Knowles (Winnipeg North Centre): As our report recommended.

Mr. MacLean: I am fully aware of that. I think the government should have accepted that recommendation. I wish to deal briefly with what is perhaps an area of omission. I am rather surprised that the minister did not include an amendment to the schedule which increases across the board the rates of disability pension. He no doubt has a perfectly good reason. I am not clear about the intention of the government in that regard. Why was it omitted from this bill? I am only guessing, but I presume an omnibus bill will be introduced which will again amend this act and the War Veterans Allowance Act which will establish schedules of payments. If that is not done, perhaps it will be by way of a bill granting supply. In any event, it is regrettable that these increases are not now established and that they have not been made retroactive to at least some degree.

There are a number of other matters I would like to speak about regarding increases to veterans disability pensions, war veterans allowance and their application to certain situations. However, although Your Honour has been very lenient, technically I would perhaps be out of order in discussing them at this time, because this bill does not grant across the board increases in rates. Hopefully, there will be another opportunity when legislation will be introduced to increase the rates announced by the minister. On that occasion there will be an opportunity to discuss the rates of disability pensions and war veterans allowances and their application to the veterans of this country.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, we are considering one of the most important statutes ever enacted by this Parliament, the Pension Act. I speak of this with feeling because my father died of his war wounds when I was very young. I was raised in a home where for many years the only income was the war veterans pension. I am sure hon. members know that this legislation is, and has been, important for the support of a great number of people in Canada. The existence of this legislation in the various forms it has taken over the years has provided hope and opportunity that many thousands of people otherwise would not have had.

I have approached this discussion with some hesitancy. I feel impelled to disclose the reason for this. At the time the Woods committee was in existence, I was occasionally called upon to offer it professional advice. I hope it will not be considered that my connection several years ago with the work of this committee disentitles me to speak at this time. What we have before us this evening is the product of the work of many hands. When the Woods committee was appointed in 1965, it was expected by some people who were not aware of the complexities of pension legislation that it would be able to make simple recommendations that might quickly be enacted into law. This obviously was not possible.

The thorough investigation conducted by the Woods committee is fully evidenced by its excellent and long report. It indicates the degree of complexities which have developed over the many years of the history of the Pension Act. I wish to express on my behalf and, I am sure, on behalf of all hon. members the debt of this nation to a distinguished former naval officer and jurist, the Honourable Mr. Justice Mervyn Woods who headed this committee with such distinction. His committee has made an imperishable contribution to the public affairs of Canada.

Some hon. Members: Hear, hear!

Mr. Blair: The government is entitled to great credit for the manner in which it dealt with the recommendations of the Woods Committee. The presentation of the initial governmental proposals in the form of a white paper was commendable because it enabled these proposals to be exposed to the full rigour of a searching inquiry by a parliamentary committee. I cannot speak too highly of the work of that committee. It has justified to a major degree the committee system and has made a very great contribution to the development of the pension legislation of this country.

I do not intend to detain the House very long. My comments will be directed to three aspects of the legislation as it is now placed before us, aspects in which the government proposal varies from the report of the committee. I offer the observation that after the thorough study of the legislation by the committee and the important dialogue between representatives of various organizations and the committee, it is indeed a serious matter to see departures from its recommendations where they deal with important matters.

The first aspect on which I wish to comment is the proposal with regard to multiple disabilities. In effect, the government has proposed that the special allowance for disabilities be limited to $2,400 per annum. After very careful study of the matter, the committee recommended that it should be $3,500. I am sure that no one in this chamber feels the need is not great or that the need is not admitted. The question must, surely, be one of cost—the fiscal consequences of this new and enlightened proposal. I hope there will be in the committee ingenious and informed parliamentarians who will find ways of reopening this matter for discussion.

My second point is in connection with the procedure known as leave to review. At the present time, when decisions are made by the Pension Commission which are adverse to an applicant, the applicant has the option to make application for leave to review when new evidence or circumstance develop. The committee recommended that this procedure be continued. However, the proposal of the bill is at variance with this recommendation. I suggest that it may impose quite severe complications upon

applicants and pensioners. It is now proposed that a veteran who wishes to reopen his case may no longer do so by making a simple application to the Pension Commission. He will be compelled to apply to the new pension review board, and only if this board decides that his application can be allowed may he reopen his case with the Pension Commission.

• (9:10 p.m.)

My objection to this procedure is based on two grounds. First, I regard it as one which imposes an unnecessary barrier against a veteran who wishes to have his case reopened. Second, this procedure is completely at odds with the standard procedure which applies to all other administrative tribunals created by Parliament. Parliament has created many tribunals. The decisions of a great majority of them can be appealed to the courts or even to the cabinet on special occasions. But as far as I know, they all observe the distinction between courts and administrative tribunals which is well understood in this country, namely, that the decisions of administrative tribunals are never final and that it is always possible to reopen a case upon application.

For example I cite the Railway Act which governs the operations of the Transport Commission. Section 52 provides that it is possible at any time to apply to the commission to change a decision which it has made. I make a special appeal on behalf of veterans, that the procedure now proposed be simplified in order not to deny them the easy right they presently have to reopen a case. Do not impose upon them the complication which would surely follow from the procedure which is now recommended.

A third aspect on which I wish to comment is the operation of the new tribunal, the pension review board, created pursuant to the recommendations of the Woods committee and the parliamentary committee. It will perform an important appeal function in finally deciding difficult cases, but the statute enshrines it in too much formality. The statute provides that all cases before the board must go to a formal hearing and that the hearing must be conducted before a quorum of at least three board members. It is important to note that the Woods committee, after a thorough study of appeal procedure, recommended strongly against this type of mandatory formality, as did the parliamentary committee.

The recommendation of the Woods Committee and of the parliamentary committee favoured a much simpler procedure: the conduct of ordinary appeals to proceed in writing before single members of the tribunal, leaving it to the tribunal itself to determine when cases were sufficiently important or difficult to require formal hearing. I need not say in this House that to require the necessity for formal hearing in all cases will cause delay, expense and complication.

The representations made by the veterans organizations both to the Woods Committee and to the parliamentary committee indicated clearly that they were interested in expedition in the decision-making process. In addition, this House should have regard to the experience of previous years. In 1924, and again in 1930, Parliament established appeal tribunals of the nature contemplated in this legislation. The experience of those tribunals, locked in, as they were, with all the formalities and trappings of formal hearings, was that they became clogged up and collapsed under the weight of the great number of cases placed before them.

Generally, I have found it is the desire of people that cases before appeal tribunals should be heard in public with a certain formality. What we are now considering appears to be an exception to this rule but, in my opinion, we would be foolish to ignore the position taken by the veterans organizations which have indicated, from their great experience, that the type of formality contemplated here is unnecessary and would defeat the purpose of the creation of the appeal tribunal.

There are undoubtedly other points of great importance in this legislation; they have been commented upon or will be commented upon by other speakers. I conclude by commending the government and all members of the House who have played a part in bringing this important bill before us in its present form. As one who does not have the privilege of being a member of the Standing Committee on Veterans Affairs, I express the hope that the committee will find it possible to improve this great legislation along the lines I have indicated.

[*Translation*]

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, each time there is a debate on veterans legislation, many members want to express their ideas to their colleagues and to the public, which shows how much interest they take in this subject.

The minister told us this afternoon that he had had the pleasure of tabling a white paper on pensions last year and that most of its recommendations had been included in the bill now under consideration. I wish to express my own appreciation to the minister for finally introducing such legslation.

[*English*]

The minister in his observations commended the members of the Veterans Affairs Committee and the representatives of the veterans who appeared before that committee, and praised in particular the manner in which the discussion of this whole subject had been initiated and carried forward. He stated that this debate was initiated by the Woods report. He praised the technique of the white paper and the dialogue that had been created. This is all very fine, but what a long time it has taken to develop! The debate started in 1965, five years ago. We are now in 1971, and it is not over yet.

• (9:20 p.m.)

The government knew what the veterans wanted, so this could have been a very sneaky trick in order to delay meeting some of the needs of the veterans. The hon. member for Humber-St. George's-St. Barbe (Mr. Marshall), who spoke this afternoon, said there are many good things in this bill, and I agree. However, I hope it

will not take the government another five years to make a review of veterans legislation. I suggest that the government should provide in this legislation the means for reviewing pensions and allowances for veterans automatically so that we do not need to go through the same rigmarole every time we want to do something for our veterans.

I am not a veteran because I have never been in the services, but many veterans have a fixed income, as other hon. members have pointed out, and it is pretty tough for them to have to beg, to write to their Member of Parliament, to the government, to the minister. This is why I hope the committee will examine ways of reviewing the pension situation, with perhaps adjustment of veterans pensions and allowances every year in tune with the cost of living.

I am told that additional veterans legislation will have to be introduced later this session. I ask, what kind of racket is this? As I say, the government has taken five years to produce this legislation. Why cannot the government make a complete review and overhaul of assistance given to our veterans? Too often have we dealt with bits and pieces of veterans legislation during the 2½ years I have been in this House. This makes me wonder whether this is simply typical of this government or indeed has been going on for some time. No wonder the public sometimes becomes disillusioned because governments do not do a thorough job.

The hon. member for Malpeque (Mr. MacLean) pointed out that new legislation will have to be introduced. Obviously, the government wanted to do something for the veterans because it was politically wise to do so. After a while pensions of veterans must be increased to keep abreast of the cost of living. At the same time, the government does not want to go all out because other areas of assistance might suffer. As I say, I am not a veteran but I am a war baby in the sense that I was born during the war. I know nothing about either the first world war or the second, or even Hong Kong, other than what I have read. I was too young to understand what was going on. However, since I have been a member I have learned to appreciate what our veterans are worth, and in this regard I have learned a lot. I have developed a respect for what these people are trying to achieve and for trying to help themselves. I say that sincerely.

Over the last couple of years a great debate has been waged on the subject of Canadian unity. Many members have referred to the fact that the war brought about unity in Canada; it united Canadians. To prove my point, there was a little war in Quebec very recently and the people stood united. The veterans have done a great deal for Canada, and this is why I do not think we can simply wait another five years before reviewing their lot.

The hon. member for Bruce (Mr. Whicher) said that Canada had better veterans legislation than any other country. So what? What does that prove? I do not think it proves very much. Let us not hide behind this sort of excuse. Canada is a better country than any other country, so we cannot simply say that since we have better legislation our veterans should be satisfied. We probably live better than most other people.

Mr. McIntosh: And because of the veterans.

Mr. Comeau: Probably because of the veterans, as my hon. friend says. One matter that does irritate me—and I hope the new bill will deal with it—is the bureaucracy that confronts a veteran who applies for veterans allowance or pension. I know it is 25 years since the end of the second world war and it is hard for a veteran to produce evidence that such and such happened during the war, but surely some of these veteran applicants can make a logical case. I submit that many times applications are not looked at in their proper context. They are not given the consideration they deserve, and this is what irritates me. I realize that many applications that I and other hon. members receive are of long standing in the sense that the veterans come to us as a sort of last resort. But many applications are returned with the request for more evidence, or they are rejected, or perhaps an appeal is granted and the whole thing starts over again. It depends, of course, what the application is; an appeal cannot be had on anything.

Having worked on a few veterans cases over the years, though not many, I am becoming more frustrated day by day. To my mind the minister and his department should be the protectors of the veterans from the government and from other ministers who are concerned about looking after their own interests. I sometimes feel that the department is protecting the government from the veterans. It is the department that should make a case for the veterans, and present it to the government. I have on my files many letters from veterans for whom I have done some work. I made a note of how many of the applications they made were rejected or received. I came to the conclusion that 90 per cent of the applications were rejected. In many cases there was no evidence to submit and there was nothing more the veteran could do.

• (9:30 p.m.)

I realize that some lobbying has to be done and that the minister has to deal with the pension office, but the results should not be as they have in the past. I hope this bill will result in an improvement in appeal procedures as well as in respect of the benefit of doubt clause. I will reserve my criticism until I see the results. I hope this measure will assist the veterans. Many of them have no other source of income; they rely on these pensions for a livelihood.

This afternoon a number of members suggested the minister is taking a great step forward. There is no question about that. Many of the veterans who have written to me are disappointed about this bill. I have a letter before me, parts of which I should like to read. After explaining to this individual what will happen with the passage of this legislation, he wrote and said he had hoped something better might have come out of the legislation. He said he was sitting with $2.62 in his pocket, waiting for Santa to do something about it. He said he had four army disabilities and was pensioned in

respect of two of them—20 per cent for his back, which in itself keeps him from doing a proper day's work, and 5 per cent for another disability which is affecting his ears. He said he had lost his sense of smell and taste. He then said, "Big deal, democracy". He has a gland problem and one year ago was operated on for cancer. I visited this man and I know he simply cannot work. He is hardly able to talk as a result of the cancer which affected his tongue. He is totally disabled. He asked whether I had ever been disabled, and suggested it was a helpless feeling.

Where can these people turn? This legislation is only reviewed every five years. It is true that in 1966 there was an increase in allowances, and another in 1968. We must establish in legislation such as this a means of automatic review in order that something can be done for our veterans on a yearly basis. There are fewer and fewer veterans as the years go by, and we should be able to treat them better than we have in the past.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, when speaking on this legislation we are speaking for 750,000 Canadians, 250,000 of whom are receiving some type of assistance from the government. I listened this afternoon with a great deal of interest to many of the speakers who suggested that Canada has the best veterans legislation in the world. This may or may not be so. I agree that the government has passed legislation increasing pensions by 10 per cent, with a 15 per cent increase to the recipients of war veterans allowance. This is one aspect which affects a large number of veterans. Anyone who thinks that we have been overly generous with those veterans has not considered the contribution they made for Canada. Perhaps as a result of that contribution we are sitting here tonight.

It took us more than five years to decide on this legislation. It is true we had participatory democracy for a long time during which the government set up the Woods committee. That committee investigated this matter at great length and in great detail. It made a number of recommendations. If this government was actually doing for the veterans what several government members have suggested, it would be implementing the Woods committee recommendations. There is not a veteran in this country who would disagree with the recommendations contained in that report. They feel they are fair and just and that they should have been implemented by this government.

Following the receipt of that report, the government did not decide what was equitable but, rather, what could be done for veterans in view of our economic situation. The government asked itself how much it could give the veterans, having regard to what the Woods committee decided the nation owed its veterans. I was a member of that committee and listened to all the submissions. In all fairness let me say I have not been a member of a committee which did more honest work than that one. That committee had the co-operation and support of veterans organizations allied in one group for the purpose of appearing before the committee. The committee also had the benefit of the knowledge and advice of officials of the Department of Veterans Affairs. In my opinion they are all dedicated to the best possible treatment of veterans and the development of the best possible legislation.

This bill represents the opinion of the government in respect of those parts of the Woods committee report that can be adopted. It has been mentioned that approval is expressed in this month's issue of The Legion. I apologize to the Legion for referring to this matter when I have not read the latest issue. No doubt it was delivered to my office, but I have not had an opportunity of going there since arriving this afternoon by plane. I am reminded very much of the days when I was a union representative. After negotiating for a long time on propositions I had put to the company forcefully, I returned to my membership to sell them on the settlement I had tentatively agreed to. I did that on the best terms possible. I do not blame the Canadian Legion for following this course. Their representatives put up a good fight. They are satisfied with many parts of the bill and I am sure they would be less than honest if they did not put their best foot forward in selling the bill to the organization.

I agree with the last speaker who said he has received many letters from veterans. I have received a number of letters, as I am sure most hon. members have, and the majority of them contain complaints about this type of legislation. Many organizations have commented favourably on the recommendations contained in the Woods committee report. Most veterans would have been much more pleased had the government implemented those recommendations. The white paper on veterans legislation is represented by this bill, with a few modifications. Credit in this regard can be given to the committee. One of the changes recommended by the committee which did not meet with the approval of the department involves the question of multiple disabilities.

• (9:40 p.m.)

As everyone is aware, the Woods Committee recommended that in a small number of very exceptional and well-deserving cases the pension paid to the veteran should be 3½ times the amount of a 100 per cent pension. I do not intend to go over all the arguments that were presented, but I believe most veterans and veterans organizations are of the opinion that the veteran cannot be compensated for the disability he received. I am speaking of those with quadruple amputations who are totally unable to look after themselves or who are totally unable to receive any advantage from life itself. We have an obligation to these people which certainly cannot be repaid in money. Then we heard about several who, if they received 3½ times the money they are now receiving, would not have representatives of Household Finance rapping on their door. This is one way in which they could be assisted.

We have decided by means of this bill to increase the maximum benefit, on proof of need, to $2,400. Taking into consideration all the factors, the members of the committee, which includes government members, agreed that the maximum additional allowance should be $3,500. This was a compromise. The compromise was not made

because the minister felt that 3½ times was an unreasonable figure, but because the government in its wisdom decided it could not justify the expense. I do not believe the suggested compromise of $3,500 was an unreasonable one. I agree with the hon. member for Grenville-Carleton (Mr. Blair) that this matter should be reconsidered by the committee. I sincerely hope this will be the case.

There really is no point in pursuing other matters. The veterans know that the compromise of the government is a necessary compromise. I think many veterans will be pleased about many of the changes which have been made. I congratulate the minister on the one matter in which he made considerable change. I believe this will be a credit to him and will do a great deal toward solving one of the problems which has vexed veterans over many years. I refer to the establishment of the pension review board. I look forward to it solving some of the problems that have been discussed in the past. It will be a board of last review. I agree with the hon. member for Grenville-Carleton and others who said there will be more difficulty in respect of leave to appeal than under the old system. It was exceedingly difficult even under the old system. I believe, however, that this is a step forward.

It is unfortunate, while this piece of legislation will be the charter of veterans for a number of years to come, that we have not written into and attached to it the type of escalator clause which in a very formal way would provide for the changing needs of veterans and would establish a formal method for increasing the veterans allowance as the years go by, rather than having to come before Parliament.

I should like to congratulate the minister, the chairman of the committee, the witnesses who appeared before the committee and the members of the committee. The advice of the veterans agencies and organizations which was obtained over a long period has been very valuable. I was also very pleased with the representations made and the assistance given to the committee by the officials of the department. I am not one of those who very often is in a position to congratulate the officials of a government department for having been helpful to Members of Parliament. In this department, however, we have officials who have shown an independence which on many occasions has favoured veterans. I sincerely hope and expect that this will be true in the years to come.

Mr. Perrault: That is a good Liberal attitude.

Mr. Peters: Liberal with a small "l". Since I came here 15 years ago I have noticed that in the Veterans Affairs Committee little partisan treatment has been given by Members of Parliament to veterans legislation. The committee was very liberal, again with a small "l", in its study of the legislation and I expect and hope this attitude will continue as long as veterans legislation is necessary in Canada.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, I shall not speak for very long tonight. The remarks made by hon. members opposite and on this side of the House reflect the spirit in which the Standing Committee on Veterans Affairs made its report, which I believe has been very helpful to the government in the preparation of the legislation which is before us.

As members have pointed out, the process of review of the Pension Act began in 1965. It involved a commission, a standing committee of the House and witnesses who appeared over a long period. The hon. member for Humber-St. George's-St. Barbe (Mr. Marshall), the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Shefford (Mr. Rondeau), in speaking for the groups they represent in this House I believe reflected the non-partisan atmosphere in which the work of the committee was conducted. Obviously, the measure before us is very detailed. The work of the committee involved investigation of a very large report and a large number of recommendations. Only in a committee of the House which is charged with this responsibility is it possible to look at the fairly detailed procedures which are spelled out in the bill.

I believe the process which has been involved here, of a parliamentary committee reviewing the white paper and the detailed examination which followed, is something which students of parliamentary procedure might well look at. The minister said the approach of the government had been one of flexibility. Every member of the committee is aware that this is literally true. The members of the committee looked at the evidence and heard the witnesses with an open mind, just as the minister had invited them to do. I believe the unanimous report of the committee had very great influence upon the legislation which is before us.

Hon. members opposite have raised a number of points which I am sure will be raised before the committee. We will examine them, and no doubt there will be further hearings. I hope, however, that we have now reached the stage where any delay will be absolutely minimal. I as chairman, and I believe every member of the committee, was pleased to see that the first item of business before Parliament in 1971 was this legislation. The minister regretted that it could not be brought in before the recess, but this is one of the things which could not be overcome.

• (9:50 p.m.)

However, we are very pleased that it has reached this stage. With those few remarks may I say that I look forward to an early referral of this legislation to the committee which will, I am sure, conscientiously do its job.

Mr. F. J. Bigg (Pembina): Because of the lateness of the hour, Mr. Speaker, and since we want to get the legislation through today, I will be very brief. I am very pleased with most of the bill. The committee worked very hard, and, as our amiable chairman said, the report was unanimous. However, I think an important point should be made. Today, when there are efforts to downgrade Parliament, I think something should be pointed out that is not well known to the public, namely, how hard some Members of Parliament work. Members of the

committee came back during the summer recess to spend three weeks of their so-called vacation on committee work in order that veterans organizations across Canada would be given a full hearing. This is what I call participatory democracy. I am a little tired of the negative reports coming in which downgrade Parliament and its members. But in this case at least, I think the public and certainly the veterans appreciate what we have tried to do.

There are three things which please me most in this legislation. First are the proposed changes to the benefit of doubt rule. I and many of our colleagues feel that if proper attention had been given to the benefit of doubt rule, a great deal of the changes in the legislation might have been redundant. Second, I am very pleased to see this new attempt at giving greater independence to adjudication tribunals, because in a great many cases it is not enough that justice be done. If some of our veterans believe they are not receiving an independent hearing, they go away with a feeling of injustice even if they receive a monetary reward.

Third, what I like in this legislation is the attempt to give the Hong Kong veterans the special treatment which we all know they have long deserved. I would be remiss if I did not say that the final good result is due to the fact that the Hong Kong veterans have a very fine organization which has worked hard over 25 years to obtain final adjudication. Even though they have often been discouraged and have suffered from the disabilities about which they have complained, they have been heroic and the victory is all theirs. Even though I and my colleagues, as well as all members of the House, regret that it has taken this length of time for the legislation to be passed, as I am sure it will be very shortly, this Parliament has given the Hong Kong boys what they have long deserved.

I am a little disappointed that we did not do more on the subject of multiple disabilities, but our committee will go on working. It has been a good committee in the past and I am sure we will get our teeth into the subject. We will not take no for an answer. The matter of multiple disabilities has not been properly handled. I think most of us agree that an automatic increase should be written into veterans legislation so that they do not have to come back cap in hand. These veterans are getting older and their needs are greater. Surely this is one group of people who should not have to come to Parliament cap in hand to ask for something that other branches of our society receive.

I have not checked the third point that I want to mention, but I think the attendant's allowance should be looked into more fully. In many cases the woman has suffered, not only during the war but in the 25 years since the war. The sacrifice has been made by the wife and the family. In very serious cases where an attendant's allowance is needed, it is often the wife who is doing the nursing and we should try to pay her in line with the current remuneration which a nurse in civvy street is receiving. If she has given up a career in nursing to look after not only her husband but a service man or woman who has served Canada well, this matter should be at the top of the list in priority.

The Acting Speaker (Mr. Laniel): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Veterans Affairs.

* * *

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, before we go on to the adjournment debate, may I ask the acting House leader what business will be placed before the House tomorrow and for the rest of the week?

Mr. Francis: It is my understanding that the Canada-New Zealand trade agreement will be the first item to be discussed, followed by the Export Development Act which will be considered tomorrow, following which the House will consider the Juvenile Delinquents Act. I cannot say anything beyond that.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

CRIMINAL CODE—SUGGESTED REMOVAL OF ABORTION PROVISIONS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, on the third weekend of last November the Liberal party's policy conference meeting in Ottawa voted four to one in favour of removing the matter of abortion from the Criminal Code. The following day I asked the Prime Minister (Mr. Trudeau) whether he would be guided by that democratic and overwhelming decision of his party and submit such legislation to Parliament this session. He replied that the government had already stated in the Speech from the Throne what they were prepared to do this session, and of course that was to promise a special debate on abortion. As far as I am aware, the date for that debate has not been fixed.

I contend that we have had plenty of debate on the abortion issue. What we need now is legislation to remove the whole matter of abortion from the Criminal Code and to leave it, like every other medical procedure, a matter to be decided between doctor and patient; also, to leave it a matter to be decided, as far as the affected people are concerned, according to their own conscience. At its annual convention in Winnipeg last June, the Canadian Psychiatric Association took essentially the same position. In its August issue the Canadian Medical Association Journal commented editorially in part as follows:

• (10:00 p.m.)

In adopting this recommendation the Canadian Psychiatric Association clearly recognized the underlying moral aspect of

this matter which colours the medical, psychiatric and legal considerations, Canadians, including those within the medical profession, range from a truly "liberal" pole, which views abortion within the first 12 weeks of gestation as simply a secondary means of birth control, to a truly "conservative" pole which views interruption of pregnancy in any circumstances as murder. There is no doubt that this spectrum of views will continue to prevail regardless of the law. In a just Canadian society in the year 1970 it would seem appropriate that occupants of neither polar position should be allowed to impose their moral attitudes on the rest of the country. Under the existing legislation with its cumbersome medico-legal machinery which makes it very difficult for women to get legal abortions, it is clear the "conservative" element prevails in spite of the insistence of federal politicians to the contrary.

The CMA Journal is quite correct in stating that we have two definite points of view vis-à-vis abortion in Canada, those who favour abortion and those who do not, and that these points of view are not likely to be overcome regardless of what happens to the legislation. The Journal is also correct in stating that so far those who do not favour abortion have been able to enforce their beliefs on the rest of the Canadian community, as is proved by the fact that up to this point the government has made no move to change legislation under which legal abortions are so terribly difficult to secure. In the province of Quebec, for example, the director of the Family Planning Association recently estimated that during the past year there had been from 10,000 to 25,000 illegal abortions in his province alone.

Pregnancies cannot wait, and where women are concerned they are bound to get relief from unwanted pregnancies in ever-increasing numbers. If they are not given the chance to get legal relief, they will seek illegal relief regardless of the consequences. The only way to stop this practice is to take abortion from the Criminal Code and leave it to the conscience of the individual concerned. There are those of us who believe there are fewer crimes more serious than to bring an unwanted child into the world. No one is going to force an abortion on a woman who does not want one, but surely it is time for the government to change a situation which forces thousands of women to choose between giving birth to unwanted children or undergoing the risks of an illegal abortion.

In view of the overwhelming support from its own Liberal organization for this step, surely the government can find the courage to take abortion from the Criminal Code and leave the matter where all medical procedures should be, that is, between doctor and patient. Surely the Prime Minister, who some years ago had the courage, despite the unpopularity that it engendered, to state that the state had no business in the bedrooms of the nation, should carry this one step further and make sure that the state does not continue to enforce legislation which has proven to be very deleterious to those in the community who believe they should get abortions safely and legally. Those who believe that abortion is wrong have every right to their opinion, but I am not prepared to grant them the right to impose their beliefs on people who do not share those beliefs. I appeal to the government not to delay beyond this session in taking abortion from the Criminal Code.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, in reply to the persuasive hon. member for Vancouver-Kingsway (Mrs. MacInnis) and on behalf of the Parliamentary Secretary to the Prime Minister (Mr. Danson), may I briefly restate the views which the Prime Minister (Mr. Trudeau) has placed before Parliament and the public on several occasions.

Since the Criminal Code amendments were passed in 1969, the extent of public concern over this difficult question of abortion has increased considerably. All Members of Parliament have been made aware of the deep convictions held by citizens on both sides of the argument and of positions being taken by various groups and associations in Canada. It is the view of the government that this House of Commons must also be given an opportunity to express itself on the question of further liberalization of the law. This will be the purpose of the special debate on abortion to be held later this session, as was proposed in the Speech from the Throne.

REGIONAL ECONOMIC EXPANSION—MONTREAL—APPLICATIONS BY CITY UNDER AMENDED INCENTIVES ACT

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I refer to the previous speech. I sincerely hope, at the risk of a pun, that that will not be another abortive attempt to obtain this badly needed information from the government.

I am glad to see the Parliamentary Secretary in his seat tonight and to know that he will be responding to my question. Our experience with the Minister of Regional Economic Expansion (Mr. Marchand) when we have tried to elicit information from him in this House has not been a happy one. Hopefully, sir, we shall be able to succeed with the Parliamentary Secretary where we have failed with the minister. I say that with great respect, because I have great respect for the Parliamentary Secretary to the Minister of Regional Economic Expansion (Mr. O'Connell).

Some hon. Members: Hear, hear!

Mr. McGrath: The question I raised in the House today, Mr. Speaker, in my view fulfilled the criteria established by the practice and rules of the House as defined by Your Honour. I realize, of course, and know this was the guiding principle of the ruling made today, that it would not be practical for the Chair to allow questions directed to the minister on all the designated regions of the country, especially since most of the country has been designated under this program. There are designated regions in all the provinces of Canada.

My question was prompted by the urgency of the situation in Montreal. That, presumably, was what determined the course that the government followed prior to the Christmas recess in bringing in an amendment to the Regional Development Incentives Act. The government indicated that it was very important for Parliament to

pass the amendments to the act. The government had announced that Montreal was to be designated as a designated area under the act, and that until the legislation could be passed by Parliament many pending applications and, indeed, industrial development in the Montreal area and in the other areas to be included under the act would be held in a state of suspension.

For that reason, although the opening up of the act gave us our first opportunity to examine the record of the government in the area of regional development, with special regard to this specific act which is the main thrust of the government's regional policy, we acquiesced reluctantly and we passed the legislation through Parliament on the last sitting day before the Christmas recess, December 18. We were told at that time that the act had to be operative for the first day of the new year because there were a number of applications pending and a number of decisions had to be made. We were told that it would be irresponsible on our part to prevent the passage of the act.

We are now in the new year, and we want to know if the act is operative. We are concerned about this matter from two points of view. First, we are genuinely concerned about the high level of unemployment, the critical unemployment problem existing in Montreal and the Cornwall area and, second, we are genuinely concerned about the act not fulfilling its function in other areas of high unemployment in the country, especially in the province of Newfoundland. Statistics brought out during the examination of the minister and witnesses in connection with the amendments to the Regional Development Incentives Act clearly demonstrated this fact.

It was with this in mind that I put the question to the minister today. I hope Your Honour will reconsider the ruling that you made today, because this is an emergent and, at the same time, an urgent problem. We have the statement of the minister during the passage of the bill and the statement of the deputy minister to prove this fact.

• (10:10 p.m.)

If the problem is emergent, and if it is urgent enough to include Montreal under the provisions of the Regional Development Incentives Act, then it must be so treated in terms of allowing members of the House to put questions to the minister during the oral question period. I hope the Parliamentary Secretary will be able to answer two questions when he replies. First, is the act now operative in the cities of Montreal and Cornwall and the counties of south eastern Ontario, the newly designated regions? Second, are applications in fact pending and, if so, when will a decision be made on these applications?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I thank the member for St. John's East (Mr. McGrath) for his kind personal references. I am sure his concern is shared by all members of the standing committee who have given a good deal of consideration to these amendments. I welcome his concern that this act become operative as soon as possible.

To answer the first question, I am advised that 12 applications for assistance under the amended provisions of the act have been received to date by the Department of Regional Economic Expansion from applicants in the Montreal area. These applicants have been advised that their submissions cannot yet be considered for processing because the regulations required by the amendments have not yet been passed by the Governor in Council. It is expected that these regulations will be completed next week. They are being given urgent consideration. As hon. members know, these regulations relate to the new loan guarantee provisions of the act, the incentives for commercial enterprises and the removal of the $12 million ceiling as well as other necessary changes related to the amendments.

The enactment of the amendments permitted the government to proceed at once with an Order in Council designating the new region on December 22, and permitted the department to acquire additional space in Montreal and to recruit new staff. The new Montreal office will open next week. Members will be pleased to know that the department is proceeding with all dispatch to prepare itself to fulfill the purposes of the amended act.

At the same time, I wish to point out that the designation of the new region and the provision of incentives within it are not the only important features of the act. In the amended act, for example, the Atlantic region was singled out for special attention in so far as this region, alone among the designated regions of Canada, had the level of incentives raised substantially to offset any adverse effects which might flow from the short-term, temporary designation of the Montreal-Cornwall region. The 12 applications received to date signify on the one hand that there will in all likelihood be a good response to incentives in the newly designated region. On the other hand, the temporary nature of the designation is a practical and reasonable way to balance all the important objectives sought under the act and its programs.

Motion agreed to and the House adjourned at 10.16 p.m.

HOUSE OF COMMONS

Tuesday, January 12, 1971

The House met at 2 p.m.

HOUSE OF COMMONS

PURPOSE OF ISSUANCE OF IDENTITY CARDS TO MEMBERS

Mr. Speaker: May I seek the indulgence of hon. members to clarify a misunderstanding which appears to have arisen in connection with the issuance of indentity cards to hon. members. It should be pointed out that this initiative was taken at the request of a number of members of the House and that the cards are intended exclusively for the convenience of hon. members who might consider them useful from time to time.

The point I would like to stress is that the issuance of the cards is not related in any way to security measures in the Parliament Buildings. Identification cards for security purposes continue as before to be required only in the case of employees of the House.

* * *

PRIVILEGE

MR. BALDWIN—PACKAGING AND LABELLING BILL—METHOD OF CONSIDERATION BY STANDING COMMITTEE

Mr. Speaker: At the opening of yesterday's sitting of the House, the hon. member for Peace River rose on a question of privilege relating to proceedings before the Standing Committee on Health, Welfare and Social Affairs. The hon. member took exception to instructions issued under the authority of the chairman of that committee to the effect that only certain persons would be invited to give evidence before the committee when it considered Bill C-180. Those instructions were transmitted by letter over the signature of the clerk of the committee.

It should be noted at the outset that the conduct of the clerk has not been questioned by the hon. member since the clerk was obviously acting under instructions received from the chairman. The question to be determined is whether the chairman's action constitutes a prima facie case of privilege.

As hon. members know full well, a committee proceeding is the responsibility of the members of a committee. Indeed, citation 324 (1) of Beauchesne's Fourth Edition states that it is irregular to refer to the proceedings or to the evidence taken in a committee; such discussions can take place in the House only when a committee report has been received and is before the House for consideration.

The hon. member for Peace River suggested that the chairman of the committee had no right to decide on his own which witnesses should be called by the committee of which he is the presiding officer. In that respect, the hon. member is on sound ground. Only the committee, by a majority, can make such a decision. The hon. member for York East, speaking to the question of privilege, claimed he had acted according to instructions received from the steering committee. That statement was questioned by the hon. member for Vancouver-Kingsway. Obviously, the issue should be resolved by the committee rather than by the House or by referral to another standing committee.

• (2:10 p.m.)

The Standing Committee on Health, Welfare and Social Affairs will meet in due course and will be free to adopt whatever procedure it may deem to be appropriate in the circumstances for the calling of witnesses including, if it so wishes, a procedure different from that suggested in the committee clerk's letter. All that is required is an appropriate motion carried by a majority of its members.

I would suggest, therefore, that this matter is essentially one for the consideration of the committee. The hon. member for Peace River could have had a grievance but I suggest, with respect, that the matter does not constitute a prima facie case of breach of parliamentary privilege and that it ought not to be considered further by the House at this time.

ORAL QUESTION PERIOD

[*Translation*]

PENITENTIARIES

KINGSTON—INQUIRY RESPECTING INVESTIGATION OF RECENT VIOLENCE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Solicitor General, but first of all I want to congratulate him on his recent appointment and to wish him every success.

Has the minister ordered an investigation on recent violence in Kingston Penitentiary and if so, when will a public report be available?

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, first I want to thank the Leader of the official Opposition for the very kind remarks addressed to me. I hope this courteous attitude will continue for many weeks and months in our day-to-day contacts.

To reply more directly to his question, I will say that an investigation has been ordered in the normal course

of department operation. It is an internal investigation, and as soon as its findings are in our possession I will study the recommendations with the Commissioner of Penitentiaries and determine what action is to be taken. I shall certainly inform the House at that time.

[*English*]

INQUIRY AS TO REPORT ON SUICIDES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, to exercise my rights in both languages, I should like to ask the minister whether, in view of another disturbing problem regarding penitentiaries, namely, the suicide rate, especially at St. Vincent de Paul, we can expect the government to report the findings of the committee of investigation at that penitentiary?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General) Mr. Speaker, I will certainly take into consideration the question of suicides in penitentiaries, and I will also give it priority.

I was stunned by the number of suicides in such institutions last year. The situation is becoming alarming and undoubtedly, we must take action. At this stage, I cannot suggest to the House any other course than that followed up to now.

[*English*]

SUGGESTED PUBLIC INQUIRY

Mr. Frank Howard (Skeena): Mr. Speaker, I add my wishes to those of the Leader of the Opposition to the newly appointed minister. I hope he accomplishes much more than his predecessors. In light of not only the situation referred to by the Leader of the Opposition but the escapes and riot at Prince Albert penitentiary, the disturbance at the British Columbia penitentiary and the whole concept surrounding our approach to penitentiaries, would the minister not be led to conclude that we need a public inquiry into the structure, organization and administration of penitentiaries?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, due to the initiative of my predecessor who was very active and efficient in the administration of this department, a great number of investigations into the penitentiary system have been held, as I realized when I took over the responsibilities of Solicitor General.

Some hon. Members: Hear, hear.

Mr. Goyer: I must say that the situation is not alarming, far from it. In fact, certain things which take place in the penitentiaries are perhaps normal, perhaps not, but I am inclined to believe that the administration of penitentiaries is good and the people responsible for the penitentiary system will have my full confidence until I am proved wrong.

[Mr. Goyer.]

[*English*]

REQUEST FOR ESTABLISHMENT OF HOUSE COMMITTEE

Mr. David MacDonald (Egmont): Mr. Speaker, I have a supplementary question for the Government House Leader. In view of the important issues raised by the Leader of the Opposition and the hon. member for Skeena, and also the concern of many people regarding the present operation of our penitentiaries, would he indicate to the House whether the parliamentary committee on penitentiaries, which has operated from time to time but has not been convened to my knowledge in the last year or so, might be established early this year so that it might work effectively on these and other problems?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I propose to place a reference on this subject on the Order Paper soon.

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THE CANADIAN ECONOMY

FOREIGN OWNERSHIP OF CANADIAN COMPANIES—PUBLICATION OF REPORT TO CABINET AND INTRODUCTION OF LEGISLATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of National Revenue who has been charged with the responsibility of looking into the question of foreign ownership of Canadian companies. My question arises from the fact that steps are now being taken by foreign companies to acquire the Seaway Hotels and the Aimco Company of Toronto. What steps does the government propose to take to stop the growing takeover of Canadian companies which has brought us to the position where 8,500 Canadian firms are now foreign-owned and controlled?

Mr. Speaker: Order. The hon. member's question is asked in very general terms. He has invited the minister or someone else on behalf of the government to indicate what steps will be taken to remedy a situation. It seems to me that the question is too general to be accepted in those terms. The hon. member might like to rephrase his question.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, perhaps I might make my question more specific. I should like to ask the minister whether the report which he is preparing for the cabinet has been submitted to the cabinet and whether or not that report will be made public? How soon can we expect legislation to be introduced arising out of the report which he has been preparing?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, in respect of the first part of the hon. member's question, I do not think it would be appropriate for me to comment on what is essentially a matter of cabinet busi-

ness. In relation to my work, it is essentially work within the government for the purpose of enabling the cabinet to make a decision on policy in this important area. In respect of the third and final part of the question, the matter of legislation and the timing of its introduction is something for decision by cabinet, and it will obviously be dealt with by the government in due course and in the usual way.

An hon. Member: Where have we heard that before?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, after that enlightening reply, may I direct a question to the Acting Prime Minister.

Mr. Baldwin: Do you expect anything different?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Acting Prime Minister whether the report, which has either been submitted or is about to be submitted by the minister charged with the responsibility regarding foreign ownership, will be made public and whether the government will be introducing legislation at this session to deal with this matter?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, there is very little I can add to the very enlightening reply of the Minister of National Revenue.

An hon. Member: That's true.

Mr. Knowles (Winnipeg North Centre): The blind following the blind.

Mr. Sharp: In respect of the final part of the hon. member's question, this depends, of course, on how one interprets legislation that affects the question of foreign ownership. It may be, for example, that the taxation proposals which are being brought forward would have an effect in this area. The introduction of the legislation on the Canada Development Corporation is coming forward. So all these matters do have an effect. Other than that I cannot say.

Mr. Baldwin: It was coming forward ten years ago.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that my question was prompted by two specific instances of takeovers that are likely to be effected in the next few weeks, may I ask the Minister of Consumer and Corporate Affairs whether he intends to bring down legislation to amend the Combines Investigation Act in order to deal with the increasing number of takeovers?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I would have hoped the hon. member would have read the Speech from the Throne and the list of legislation appended to it which indicated that a revised Combines Investigation Act would be introduced this session by me.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a supplementary which perhaps I might put in a more specific context. In light of the remarks of the premier of Nova Scotia last night on national television, could the Minister of Energy, Mines and Resources comment on the position in which one province of Canada finds itself in having to go to the United States to find the wherewithal to develop Bay of Fundy tidal power? That is a classic example of what the hon. member was talking about.

Mr. Speaker: Order. The hon. member is inviting the minister to comment and in those terms the proposed question is not strictly in order.

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[*Translation*]

AIR CANADA

INQUIRY RESPECTING LOAN OBTAINED IN GREAT BRITAIN

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I want to put a question to the Minister of Transport.

We hear that Air Canada has just borrowed 30.5 million in Great Britain, from a consortium of six banks. Was the government informed of this transaction between Air Canada and the British consortium?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, we were advised of it. It is a normal commercial transaction which the corporation was perfectly entitled to undertake on its own, but they did advise me of their intentions.

[*Translation*]

Mr. Caouette: I have a supplementary question, Mr. Speaker. In these circumstances, has Air Canada tried to obtain this loan from Canadian financial institutions, and more specifically from the Bank of Canada?

[*English*]

Mr. Jamieson: Mr. Speaker, I can only answer the question in a rather general way at the moment. The loan, as the hon. member called it, was arranged in relation to the purchase of Rolls Royce engines in the United Kingdom. It was part of the over-all purchase that was made, and in order to acquire the engines the moneys were raised in England.

* * *

FINANCE

REDUCTION OF TAXES ON BUSINESSES TO STIMULATE ECONOMY AND COUNTERACT UNEMPLOYMENT

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In view of President Nixon's announcement yesterday of his plan to reduce business taxes in the United States by $2.6 billion this year as a means

of stimulating the economy and counteracting rising unemployment in that country, is the government giving consideration to the possibility of adopting a similar plan in this country to accomplish the same end?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am sure my hon. friend would agree that our policies ought to be our own and that we should not attempt to imitate any other country.

Mr. Hees: Does the Acting Prime Minister believe that what the government has put forward as a plan to counteract rising unemployment will have any better success than the calamitous failures it has put forward in the last few years which allowed unemployment to rise?

Mr. Speaker: Order, please.

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ADMINISTRATION OF JUSTICE

ACTION TO ALLEVIATE SHORTAGE OF JUDGES—INQUIRY INTO INCREASE IN CRIME

Mr. G. W. Baldwin (Peace River): Mr. Speaker, speaking of calamitous failures, may I refer one to the Acting Prime Minister. I had intended to ask a question of the Minister of Justice yesterday but because of his absence then and today I shall direct it to the Acting Prime Minister. Having in mind the statement by the Chief Justice of Ontario concerning the grave shortage of judges and the alarming increase in criminal offences, is the government giving consideration to discussing with representatives of the province of Ontario and the other provinces the matter of increasing the judiciary and taking steps to meet this particularly difficult problem?

Hon. Mitchell Sharp (Acting Prime Minister): I will take the representations of the hon. gentleman into account.

Mr. Baldwin: Would the Acting Prime Minister also consider the very alarming and serious increase in crime which is taking place and, together with his colleagues, give consideration to the appointment of either a parliamentary committee or the reference of the matter to a commission in concert with the provinces? I ask this question having in mind the responsibility of the government for social unrest arising out of the increasing unemployment.

Mr. Speaker: Order, please. The hon. member is entitled to ask a question but he is not entitled to indicate why he is asking it.

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EXTERNAL AFFAIRS

PRESENCE OF SOVIET NAVAL VESSELS IN INDIAN OCEAN

Mr. Gordon Ritchie (Dauphin): I have a question for the Acting Prime Minister. In view of the visit of the present Prime Minister to India, does the government support the thesis of the Indian government that Soviet naval vessels are preferable to a western presence in the Indian Ocean?

Mr. Speaker: Order, please. I doubt that the question as asked is in order.

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AIR CANADA

MOVING OF OTTAWA TELEPHONE RESERVATION SERVICE TO MONTREAL—GENERAL POLICY

Mr. David Lewis (York South): I have a question for the Minister of Transport. On Friday, December 18, I asked him whether he would be prepared to undertake to make a statement on motions to the House after the recess informing hon. members why Air Canada has decided to move customer reservations telephone services from Ottawa to Montreal, whether he was consulted, and all other details that may be useful.

Hon. Donald C. Jamieson (Minister of Transport): I thank the hon. member for recalling this matter to me. This is my first day in the House since the recess. I will re-examine the matter and try to get the answer as quickly as possible.

Mr. Lewis: I imagine that the minister will have to take my next question as notice as well, but when he does inquire into the matter would he find out whether this move by Air Canada is an isolated one affecting only Ottawa or is part of a planned intention to phase out these customer reservation services in a number of locations in Canada?

Mr. Jamieson: Yes, I will be glad to do that.

Hon. George Hees (Prince Edward-Hastings): When the minister is looking into this matter, will he also request Air Canada to allow the Air Transport Employees Association to see the feasibility study on which Air Canada is basing the justification for this move?

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AIR TRANSPORT

CHARTER SERVICES—WARDAIR—CTC RULING ON HOLDING OF CUSTOMERS' MONEY IN TRUST

Mr. J. H. Horner (Crowfoot): My question is directed to the Minister of Transport. Can we expect a statement from him with regard to the unsettled situation of charter air services, particularly in the case of the Edmonton based firm, Wardair, which has had its wrists slapped by the Canadian Transport Commission with regard to moneys invested by customers for charter services?

Hon. Donald C. Jamieson (Minister of Transport): I will be more than pleased to enlighten the House to the maximum extent that I can. As the hon. member is aware, the ruling by the CTC is subject to appeal either

to the Minister of Transport or to the Governor in Council, and for those reasons I do not want to prejudge the case. I can say, however, that I think hon. members will all agree that in the first instance this is a good Canadian company and that it has been providing a worth-while service but that at the same time of course it is vitally important—again I am sure hon. members will agree—that passengers' investments be protected. I am sure this is the basic aim of the CTC and I hope they will be able to achieve it.

Hon. Marcel Lambert (Edmonton West): In considering this matter would the minister bear in mind the fact that as a result of the action of the CTC many hundreds of Canadian passengers will be driven to board charter planes just across the border in the United States—

Mr. Speaker: Order, please.

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[*Translation*]

ST. LAWRENCE SEAWAY

REPAYMENT OF DEBT—CARR REPORT

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Transport.

I would like to ask him whether the Carr report has been submitted to the cabinet, whether the cabinet has examined it and whether a decision has been reached concerning the repayment or the refinancing of the debt?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker. As I advised the House just prior to the Christmas recess, the Carr report has been submitted to me. It is now in the process of being examined. It is a very comprehensive document and as quickly as our assessment has been completed I will then try to get it before the House, or in some other way make the pertinent details of its contents known publicly.

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CORPORATE AFFAIRS

INVESTIGATION OF EFFECT OF FOOD CHAIN PRICE WAR ON SMALL BUSINESSES

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. Considering the recent reports of sharply declining profits and of losses by the major food chains as a result of the food price war, is the minister considering directing that an investigation be made to determine whether these price wars amount to cut-throat competition designed to eliminate small, independent businesses which compete with the chains?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Director of Investigation and Research under the Combines Investigation Act is of course aware of the price war situation, and if there should appear to be a breach of that Act he can be expected to take appropriate action.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, would the minister tell the House whether he will direct the director to look into this matter and not just leave it up to him to decide whether or not he would like to do so? Would he ask him directly to do it?

Mr. Basford: Mr. Speaker, the director has a statutory duty to enforce the provisions of the Combines Investigation Act and I have every confidence that he will carry out that duty.

Mr. Hees: So have you.

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AIRPORTS

TORONTO—PROPOSED SITES FOR NEW FACILITY

Mr. W. M. Howe (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, I wish to direct a question to the Minister of Transport. Today seems to be his big day in the House. It has to do with the new airport that is going to be built north and west of Toronto. Before Christmas the minister intimated that three or four sites would be chosen and indicated shortly after Christmas. Is that decision available today?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker. The study by the federal and provincial officials has been completed. It was put into my hands yesterday. I am in the process of reading it now. I understand that a few of the Ontario ministers are a bit busier than usual these days but I will try to get together with them as soon as possible.

Mr. Howe: In view of the fact that many small municipalities that could be involved are now making their plans for 1971, would the minister do his utmost to see that a decision is handed down as soon as possible?

Mr. Speaker: The hon. member's question is in the form of a representation.

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EXTERNAL AFFAIRS

CYPRUS—CONTINUATION OF UNITED NATIONS PEACE-KEEPING MANDATE—CANADIAN PARTICIPATION

Mr. S. Perry Ryan (Spadina): Mr. Speaker, I have a question for the Acting Prime Minister. In view of the unsettled conditions in Turkey and Greece and the disturbing news from Cyprus, is the government taking any initiative to continue the United Nations peacekeeping mandate in Cyprus beyond June 15 of this year?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, we have had no request yet for a continuation of this peacekeeping force beyond next June. It would be a matter for the United Nations to take the initiative. If

they came to the conclusion it was essential to the maintenance of the peace that the peacekeeping force should be maintained, I am sure we would give sympathetic consideration to such a request.

Mr. Ryan: Will our troop commitment continue if the mandate is renewed?

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

GUINEA—SECURITY COUNCIL CONDEMNATION OF INVASION BY PORTUGUESE FORCES—GOVERNMENT ACTION

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In light of the condemnation by the United Nations Security Council of the invasion of Guinea by Portuguese forces, has the government taken any action in support of the Security Council resolution, or does it contemplate taking any action in support of that resolution?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, this is an important question. I would like to give a full answer, so perhaps I might be permitted to take the question as notice.

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[*Translation*]

NAVIGATION

USE OF ICEBREAKER TO KEEP CHANNEL OPEN BETWEEN SOREL AND BERTHIER

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a question to the Minister of Transport.

Since at this period of the year, the channel between Berthier and Sorel is clogged with ice, considerably holding up the transport of some workers, and following a certain number of representations made by the Chambers of Commerce of my area, I should like to ask the minister whether he can assure us that special steps will be taken to have the channel patrolled by an icebreaker and to make the ferry service available at all times, day or night?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will be very pleased to see what more we can do and advise the hon. member.

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EXTERNAL AFFAIRS

RUSSIAN NAVAL PENETRATION OF INDIAN OCEAN

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Acting Prime Minister in his capacity as Secretary of State for External Affairs. Is it government policy that extensive Russian naval penetration of the Indian Ocean has no practical effect on the political and military balance in the world?

Mr. Speaker: The hon. member knows he cannot ask a question in those terms. The hon. member may wish to rephrase the question.

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INDIAN AFFAIRS

EFFECT OF CURTAILMENT OF SALMON FISHING FLEETS—FINANCIAL ASSISTANCE TO NATIVE FISHERMEN

Mr. Frank Howard (Skeena): Mr. Speaker, I would have directed this question to the Minister of Indian Affairs and Northern Development but perhaps I could direct it to the Minister of Fisheries because it relates to both departments. Is the minister aware that a number of fishing companies on the coast of British Columbia are now taking steps to curtail their salmon fishing fleets in particular for the coming year, affecting in the Prince Rupert area upward of 100 native fishermen? If he is aware of this, has his department any plans to preserve the position of the fishermen in the fishing industry?

Hon. Jack Davis (Minister of Fisheries and Forestry): Yes, Mr. Speaker, the department is aware of this problem, and alternative means of financing these fishermen have been investigated jointly with the Department of Indian Affairs and Northern Development.

Mr. Howard (Skeena): Inasmuch as this matter has been explored, can the minister provide the details to us so that the Indian people will know what is taking place?

Mr. Davis: Very briefly, Mr. Speaker, this plan is to be administered by the Indian Fishermen's Assistance Board which is already in existence in British Columbia, and the funds will be made available by the Department of Indian Affairs.

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[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to put a question to the Acting Prime Minister.

In view of the statement the right hon. Prime Minister made during the Christmas recess that inflation no longer existed in Canada, although it had seemed the excuse for and the cause of all our economic ills for two years, could the Acting Prime Minister tell us on what street corner the right hon. Prime Minister met inflation and made it disappear—

Mr. Speaker: Order! I am sure the hon. member will admit that the question as asked is not in order.

[*English*]

HARBOURS

APPOINTMENT OF LOCAL BOARDS—LABOUR REPRESENTATION

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Transport. May I ask the hon. gentleman by what date is it hoped to achieve the appointment of local Harbours Board authorities, and will there be labour representation on these authorities?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, it would be my hope that the legislation which will be necessary to establish the new boards' policy can be introduced during the current session. It would be my hope also that all interested groups in a harbour region would be represented, but not necessarily in a subjective way.

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POLLUTION

PROVISION OF ADEQUATE TREATMENT FACILITIES IN CHURCHILL FOREST INDUSTRIES PROJECT

Mr. Gerald Richard Cobbe (Portage): Mr. Speaker, my question is for the Minister of Fisheries and Forestry. Because of the recent controversy regarding Churchill Forest Industries in Manitoba, is the minister's department, following investigation, now convinced that proper pollution controls have been included in this project?

Hon. Jack Davis (Minister of Fisheries and Forestry): We have been investigating this development, Mr. Speaker, and find unfortunately that inadequate treatment facilities have been provided. They are elementary, and additional investments will be required to ensure proper effluent treatment at that site.

SPRINGHILL, N.S.—INVESTIGATION OF SLAG DUMP FIRE

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Is the minister in a position to inform the House when the investigation carried out by his department into the slag dump fire that has been polluting the town of Springhill will be made public?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I will be very pleased to take notice of that question.

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POST OFFICE

SUGGESTED MEETING WITH LETTER CARRIERS UNION TO RESOLVE ALLEGED ADMINISTRATIVE CONFUSION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I would like to direct a question to the Minister in charge of the Post Office. In light of today's statement by the Letter Carriers Union of Canada that the Post Office is in the worst mix-up yet, with every Tom, Dick and Harry giving orders to people who will not obey them, would the minister advise when he will meet the union so that he can explain the new order of things to them?

Mr. Speaker: The hon. member will recognize that the question is not asked in the usual and accepted terms. Perhaps he might like to rephrase the question so that it would be acceptable from the point of view of the Chair.

Mr. Macquarrie: I would rather say ten o'clock, Mr. Speaker.

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AGRICULTURE

INTERPROVINCIAL MARKETING—POLICY RESPECTING PROVINCIAL MARKETING BOARDS

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. Can he say whether the government has now formulated a policy on provincial marketing boards which have the result of restricting interprovincial trade and fixing prices? I am thinking now of the most recent action of the Newfoundland government in setting up an egg marketing board in that province.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, of course if this action is taken pursuant to valid provincial powers there is very little the federal government can do about it.

Mr. McGrath: Has this whole matter been examined in light of the minister's responsibility under the Combines Investigation Act?

Mr. Basford: Mr. Speaker, there are a number of inquiries being conducted along that line. However, the general policy is being dealt with by my colleague, the Minister of Agriculture and, as the hon. member knows, the whole situation of provincial marketing boards was discussed at the last federal-provincial conference of first ministers.

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POST OFFICE

STATUS OF NEGOTIATIONS WITH FORMER EMPLOYEES OF G. LAPALME INCORPORATED

Mr. John Gilbert (Broadview): My question is directed to the Acting Prime Minister. Is the government still negotiating with the Lapalme workers? If so, has the minister any good news to report with regard to this matter?

Hon. Jean-Pierre Côté (Minister without Portfolio): I think I can answer that question, Mr. Speaker. An offer was made by the government and it was rejected by the Lapalme workers. No more offers will be made by the government.

Inquiries of the Ministry

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question to the Postmaster General.

The proposal of the government having been turned down, does the government still intend to continue negotiations or have they decided to close the matter?

Mr. Côté (Longueuil): Mr. Speaker, I have said there would be no more offers made by the government.

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[*English*]

WATER RESOURCES

PARTICIPATION BY BRITISH COLUMBIA IN EXAMINATION OF PROBLEMS CAUSED BY CONSTRUCTION OF BENNETT DAM

Mr. G. W. Baldwin (Peace River): I have a question for the Minister of Fisheries and Forestry. Has the government of British Columbia decided to join the governmental groups, including the federal government, in examining the problems caused by the construction of the Bennett dam and its detrimental downstream effect on the people and the ecology of the Peace and Athabasca Deltas?

Hon. Jack Davis (Minister of Fisheries and Forestry): The government of British Columbia has been approached in this connection. It has personally assured me that any factual information that is necessary to carry out this study will be made available. However, I doubt if there will be a formal attendance by British Columbia in view of the fact that certain interests are taking the province of British Columbia to court in this matter.

BENNETT DAM—SECURING OF PERMIT BY BRITISH COLUMBIA UNDER NAVIGABLE WATERS PROTECTION ACT

Mr. G. W. Baldwin (Peace River): I have a supplementary question for the Minister of Transport. Has the minister made a recent examination of this problem and can he inform the House whether the Bennett dam was constructed without the government of British Columbia having secured the appropriate permission under the Navigable Waters protection Act?

Hon. Donald C. Jamieson (Minister of Transport): I have asked for some additional information on this subject, Mr. Speaker. I will take the question as notice and provide an answer as quickly as possible.

Mr. Baldwin: A further supplementary. Will the Minister bear in mind and advise the province of British Columbia that under the provisions of that Act—

Mr. Speaker: Order, please.

[Mr. Côté (Longueuil).]

FISHERIES

EAST COAST OF CANADA—DISCUSSIONS WITH SOVIET UNION

Mr. John Lundrigan (Gander-Twillingate): I have a question for the Minister of Fisheries and Forestry. Will the delegation now in the Soviet Union be having any discussions with regard to the east coast fisheries? If so, does the minister foresee any agreement or settlement with regard to the problem of overfishing by that country on our east coast?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, the principal purpose of the Canadian delegation to the U.S.S.R. is to sign the west coast agreement. However, while its members are in Moscow they will discuss possibilities for understandings on the east coast with the Russians.

Mr. Lundrigan: In view of the fact the delegation is having preliminary discussions, will there at some future date be a formal sit-down with the Soviet Union on a similar basis to that with regard to the west coast last summer?

Mr. Davis: I doubt whether we can reach an understanding with Russia on a similar basis to that on the west coast. As the hon. member will remember, the closure of the west coast ports led to that settlement. I am sure the hon. member is not advocating the closure of east coast ports to U.S.S.R. fishing vessels.

Mr. Lundrigan: The minister is misrepresenting my question and he knows it. He is playing politics as well.

Mr. Speaker: Order, please. The hon. member has the floor for the purpose of asking a supplementary question.

Mr. Lundrigan: I am simply asking the minister whether in fact we are going to have sit-down talks with the Soviet Union with regard to the east coast fishery. It is very simple.

Mr. Davis: We must have continuing talks with the U.S.S.R. The problem on the east coast is serious and we recognize it as such.

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AGRICULTURE

REQUEST FOR STATEMENT RESPECTING CERTAIN LANDS TURNED OVER TO CROWN ASSETS DISPOSAL CORPORATION FOR SALE

Mr. John L. Skoberg (Moose Jaw): I wish to direct a question to the Minister of Supply and Services. In view of the fact that the PFRA administration has turned over 45 parcels of land to Crown Assets Disposal Corporation for sale and as the appraisers are now asking 345 per

cent more than what the farmers originally paid, will the minister indicate whether he will make a statement in the House concerning this situation?

Hon. James Richardson (Minister of Supply and Services): I will be pleased to check with Crown Assets Disposal Corporation to find out what the situation is and will then decide whether or not to make a statement.

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[*Translation*]

INDUSTRY

TEXTILES—POLICY OF COMMISSION—CONSULTATIONS RESPECTING IMPORTS

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to direct a question to the hon. Minister of Industry, Trade and Commerce.

In view of the overwhelming importance taken by imports in the textile industry and in view of the recent announcement by the minister about a new textile commission, I wish to ask the minister whether he went into consultations with executives of Canadian textile industries or if this action stems merely from a unilateral initiative on the part of the government?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the new textile policy is the result of an inquiry which has been underway for 18 months. During this period, consultations were held with all interested parties, including management, labour and provincial authorities. I believe there is no question about it; everybody agrees that a maximum of consultations were held.

Mr. Fortin: Mr. Speaker, I have a supplementary question for the hon. Minister of Industry, Trade and Commerce.

Could he tell us whether those consultations have taken place during the 18 months in order to inform the members on the attitude of the leaders of the industries concerned towards the textile problems?

Mr. Pepin: Mr. Speaker, a statement on the textile policy was made in this House in May last. Certain administrative measures have already been taken and announced, including the establishment of a commission. Yesterday, the President of the Privy Council tabled a bill on textiles. This policy is therefore in the process of being completed.

In so far as the attitude of business leaders and unions towards the policy is concerned, I believe they have complete freedom to express their views. A majority of those who have done so up to now said that they felt the policy had much merit, but that before making a definite assessment they would wait until the results are known.

[*English*]

AGRICULTURE

TREE FRUIT INDUSTRY—MEASURES TO ARREST VIRUS INFECTION

Mr. Marcel Lessard (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, in reply to the question raised yesterday by the hon. member for Kent-Essex, I am advised that the representations received by the department had to do with bacterial diseases of fruit trees, field crops, vegetable crops, and greenhouse crops. Five plant pathologists are presently on staff at the research station at Harrow to help meet these and other problems. The department is in the process of assigning another plant pathologist to the Harrow staff to work on bacterial problems of vegetables and fruits.

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NATIONAL SECURITY

QUEBEC—ALLEGED GUERILLA TRAINING CAMPS

Mr. P. V. Noble (Grey-Simcoe): I wish to direct a question to the Solicitor General. Has the government been able to locate any of the guerilla training camps supposedly in the Quebec interior and, if so, what action has been taken? Were any arrests made in this connection?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): I will be pleased to see what we may be able to discover in this regard, Mr. Speaker.

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[*English*]

CONSUMER AFFAIRS

INCREASE IN SOUTHERN ALBERTA GAS RATES—INVESTIGATION BY PRICES AND INCOMES COMMISSION

Mr. Don Mazankowski (Vegreville): I wish to direct a question to the Minister of Consumer and Corporate Affairs. Is the Prices and Incomes Commission planning to investigate a pending 13 per cent increase in gas rates for southern Alberta customers of Canadian Western Natural Gas Company Limited, which is admittedly beyond any cost justification?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am not aware of that particular announcement. The Prices and Incomes Commission is examining a number of gasoline and oil price increases. I will have to inquire whether the commission is studying that particular increase.

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INQUIRY OF THE MINISTRY

Mr. Frank Moores (Bonavista-Trinity-Conception): My question is for the Acting Prime Minister. Was the

Minister of Transport stating government policy at a press conference a short time ago when he said that it may be that a country that has 10 per cent unemployed is a thoroughly healthy country?

Mr. Speaker: Orders of the day.

• (2:50 p.m.)

GOVERNMENT ORDERS

EXPORT DEVELOPMENT ACT

AMENDMENTS RESPECTING AUTHORIZED CAPITAL, BORROWING, LIABILITY UNDER CONTRACTS OF INSURANCE

Hon. Allan J. MacEachen (for the Minister of Industry, Trade and Commerce) moved that Bill C-184, to amend the Export Development Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Bruce Howard (Parliamentary Secretary to the Minister of Industry, Trade and Commerce): Despite the obvious desire of all parties in this House that the bill before us should pass quickly, I think it is important to outline briefly some of the changes proposed to the legislation and some of the advantages attached to these proposed changes. I should like to draw attention to the outstanding performance which has taken place in the field of Canada's export business during the past year and to remind hon. members that an important part in this outstanding performance has been played by the Export Development Corporation through the machinery at its disposal.

The performance of Canadian exports has been exceptional during the whole decade. They rose by 300 per cent from $5.2 billion in 1960 to an estimated $16.5 billion in 1970. The latest figures even indicate that we have approached $17 billion. This performance was not only remarkable by Canadian standards, it was remarkable by world standards. In fact, Canada's share in world trade rose from 3.76 per cent in 1960 to 5.02 per cent in 1968. Hon. members will see from this that our performance is not only outstanding in our own terms but that it is outstanding in world terms as well.

It reflects both special and general factors. The large wheat sales in the mid-sixties and the effects of the automotive agreement played an important role. However, the most important and persistent stimulant to the growth of exports was the improvement in Canadian industrial capability, the maintenance of relative price stability and promotional efforts to encourage exports by both the government and industry. A highlight of this performance was the emergence of Canada as a major exporter of technically sophisticated capital goods. The increase in this decade of such exports compared with the last decade was higher than that of any other industrialized country.

One of the features of the government's efforts to promote exports has been and will continue to be the Export Development Corporation. I should like to deal specifically with the provisions of this bill as they affect the corporation. As hon. members will recall, the Export Development Corporation was established during the first session of this Parliament and the relevant legislation was proclaimed on October 1, 1969.

Bill C-184, which had its first reading on November 9, contains amendments based on a year's experience of that legislation. No change in principle is contemplated, simply an extension of those provisions and an enlargement of the powers contained therein. It will be recalled that the act established the corporation as a successor to the Export Credits Insurance Corporation. The new corporation assumed all the property rights, obligations and liabilities of the former corporation. The purpose of the old and the new institutions is generally similar. The new corporation was given considerably greater power than was the former body. Among the changes introduced were those according greater autonomy, providing for a board of directors of 12, eight of whom were to be public servants, four of them persons not employed in the government service; increased ceilings for export credits insurance, increased ceilings for foreign lending, and an entirely new feature, namely, insurance to cover certain risks of investment by Canadians in foreign countries.

The new institution has been operating with such success that it is straining the limits of the ceilings and the capital resources which have been granted. That is why it is necessary to further amend the act, to further increase the ceiling levels and to make other minor changes. The purpose is to ensure that the facilities available to Canadian exporters are equal to those offered the exporters of any other country with whom they have to compete. Every major exporting country has made some provision to do the sort of work the Export Development Corporation is doing. There is provision to insure credit risks and support long term lending and to provide guarantees to protect foreign investments. In most countries these facilities are provided by separate and distinct institutions. In Canada, however, a businessman can go to one institution, one office, and get all these services through the same department.

The exercise of EDC's operation is intimately connected with the operations of the Canadian banking community. In addition to protecting the Canadian exporter, credit insurance facilities have greatly improved the ability of exporters to arrange financing with the banks in the case of sales involving short term credit, that is, credit for less than 180 days. Where longer term credit is needed, arrangements are made for repayment over a five-year period. In the case of long term lending, the corporation normally operates when the period of credit is beyond the normal range of the commercial banks. It is increasingly the case, however, that EDC guarantees the banks against loss, enabling the banks to provide the long term money. Long term financing is intended for capital goods and services which according to internationally accepted practice justify this kind of credit. The basic premise of the corporation's operations is that the

insurance is for commercially sound transactions where the sale is to a credit-worthy country and the terms are appropriate to the commodity concerned. The same considerations apply to long term financing. The object is to support export sales for which a buyer will pay.

The growth in the operations of the corporation is really remarkable. The average long term lending annually prior to the establishment of EDC was $50 million. In the previous calendar year the volume will likely amount to $100 million. In 1970, the volume of exports insured by EDC at its own risk rose by about 30 per cent compared with 1969. Insurance at the government risk went up by $50 million in 1970, representing growth of about 15 per cent compared with the previous year. Interest in the corporation's foreign investment program by businessmen is such that if all the applications now before the corporation were accepted the existing ceiling of $50 million would be exceeded very quickly.

In addition to operating in the long term lending field on its own account, the corporation also operates in the lending field on the account of the government when the Minister of Industry, Trade and Commerce makes a recommendation that it should do so. A similar situation exists in the insurance field. For example, when sales are made to developing countries, because of the size of the sales, the terms of the contract, often covering a long period of time, and, on occasions, because of the credit risk, these amounts are insured on behalf of the government itself. Similarly, in the field of long term foreign lending, very large loans such as those to finance sales of nuclear power projects—as one example involving upwards of $100 million—will be made by the corporation on behalf of the government rather than for their own account.

• (3:00 p.m.)

It is against this background of information that I want to deal with the specific amendments that are proposed by the bill before the House. First, with regard to share capital, the proposal is to increase share capital from $25 million to $75 million; the capital surplus maximum of $25 million will remain the same. This means there will be a total authorized capital of $100 million.

With regard to long term loans made by EDC on the authority of its board of directors, the proposed new ceiling is $850 million, an increase of $250 million. Under the category of long term loans made by EDC for capital account, the proposed new ceiling is $450 million, which is also an increase of $250 million. For foreign investment insurance purposes the proposed new ceiling is $150 million, an increase of $100 million.

There are some consequential amendments in regard to export credit insurance at EDC's own risk. A consequential amendment is required for the substitution of the figure of $500 million for a formula which gave the same result. No increase is required for insurance since this was increased a year ago by 150 per cent.

I want to say something about the borrowing authority. The corporation borrows from the government in order to make loans on its own account. If these loans are to reach the aggregate of $850 million as proposed, the corporation must logically be empowered to borrow up to that level. In addition, the corporation must have enough borrowing power to back up the $500 million of insurance that it may write at its own risk. On the basis of the experience so far, $150 million is considered an adequate backing against such an aggregate liability. Therefore, it is proposed to increase the borrowing power to $1 billion from its present maximum of $750 million.

One other item I want to deal with has to do with foreign investment insurance. The present act requires that certain assurances be given the Canadian government on safeguarding foreign investment. This provision has proved to be rather difficult to administer. A number of foreign governments have objected to it and Canada has not yet obtained such assurances. Accordingly, it is proposed to substitute for those requirements by authorizing contracts of insurance where the Minister of Industry, Trade and Commerce is satisfied that EDC's interest in the foreign investment is protected and the government of the host country has signified its approval of the investment. This is really only a minor, technical change.

I have outlined the changes in the bill this afternoon, Mr. Speaker, and as hon. members will see they are largely of a technical nature, designed to enlarge the scope and ability of the Export Development Corporation to deal with the growing volume of export business that Canadian businessmen have been able to procure. I commend the bill to the members of the House and I look forward to having the benefit of their views on this very important subject.

Mr. Burton: Might I just ask the Parliamentary Secretary a question, Mr. Speaker. Are his remarks correctly interpreted by suggesting that in fact no bilateral agreements have as yet been signed with any foreign countries under the foreign investment insurance section of this act?

Mr. Howard (Okanagan Boundary): Mr. Speaker, the insurance section has not been put into effect yet, but it is anticipated that there is business lined up ready to take advantage of that section. It is expected that it will be used very shortly.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I am sure all members of the House agree with the principle embodied in the bill before us—certainly all members of the official opposition do—because the bill is enlarging the scope of an act that has proved to be very useful over the years in enabling exporters to increase the amount of export business they do around the world. As exports increase, increased credit is, of course, needed to help finance those exports, and this is the reason the bill is before the House today.

During the past year, as in previous years, Canadians exports have increased very satisfactorily to the extent of about 15 per cent. This morning, in order to find out just how our various types of exports have been faring, I

obtained a breakdown from Dominion Bureau of Statistics of exports during the first 11 months of 1970, the latest figures that were available. I have compared these figures with the comparable first 11 months of 1969. DBS breaks down our exports into three categories. The first category is crude and consists of exports of raw materials. The second is fabricated, namely exports that have received some degree of treatment past the raw stage. Third, we have end product exports, which of course are fully manufactured articles.

Crude exports have increased from $2,998 million in 1969 to $3,961 million in 1970, for an increase of 31.1 per cent. Fabricated exports, which are slightly processed materials, have increased from $4,836 million in 1969 to $5,591 million in 1970, for an increase of 15.6 per cent. End product exports, finished goods, have increased from $5,276 million in 1969 to $5,553 million in 1970, for an increase of only 4.8 per cent.

• (3:10 p.m.)

It is obvious to all hon. members from the figures I have just recited that as our products become more processed the increase in exports during the past year has declined regularly and sharply. The increase in exports of raw materials has been very satisfactory; the increase in exports of finished products has been very unsatisfactory. It is obvious to all members that we have one of the important storehouses of raw materials in the world and that it takes little or no selling to dispose of them. Every industrial country needs these raw materials to feed its manufacturing processes. What does require considerable selling is our finished products. We must do a great deal of selling to increase our sales in this area because we are up against considerable competition.

Therefore, I should like to make a suggestion to the Minister of Industry, Trade and Commerce (Mr. Pepin), who has not seen fit to remain in the House during the debate on this important matter. Perhaps I should remind him, through his Parliamentary Secretary (Mr. Howard) who I hope will draw these views to his attention, that in future the government should pay more attention to an increased effort to sell these finished products which, after all, are labour intensive products which provide jobs. When there are increases in sales in this area the government can rightly take credit.

The minister should stop spraining his wrist by patting himself on the back everytime he refers to a figure which shows an increase in our total exports, because these increases are constituted mainly of increases in sales of raw materials which every country wants and which require no selling whatsoever. These increased sales provide very little in the way of increased employment. It is obvious from the figures I have mentioned that this government must get out and do a great deal more to increase our exports of finished products, particularly at this time when we are experiencing extraordinary and growing unemployment.

It is the sale of our finished products that provides jobs and successfully combats unemployment. We must concentrate on this area in the future. We must consider our

two largest markets, the United States and Great Britain, and I mention them in the order of their importance. We must determine what the opportunities are for increasing our exports of finished products to these markets. I feel sure that those who have followed the trade scene in recent months have been struck by the very strong and increasingly restrictive attitude that is developing in the United States regarding trade. All one needs to consider is the trade bill which is at the present time moving through congress. This bill is aimed at greatly restricting imports into that country, particularly from the textile and footwear industries. These restrictions will be extended more and more into other areas as unemployment continues to increase in the United States. It is clear to all of us that we can expect an increase in this restrictive attitude prevalent in the United States today. We are going to find it increasingly difficult to sell manufactured products in that market. Certainly, we will be able to sell all the raw materials we have because those markets need them to keep their factories operating. They do not want our manufactured goods. We must fight for the sale of these manufactured goods in order to increase employment.

I am convinced that there are two certain things in respect of the British market. Great Britain is surely going into the European Common market. When that happens the British preference will end for all time. I speak with some knowledge on this matter because I faced the same situation exactly seven years ago. At that time Britain was making the same move to get into the European Common Market. That move was terminated exactly seven years ago this month by President DeGaulle when he suddenly decided that Britain should not be allowed entry. At that time Prime Minister Heath, then the minister in charge of shepherding Britain into the common market, visited Canada to talk over with the then Prime Minister, the Minister of Finance, and myself, the question of Britain entering the common market and the difficulties which would result to this country. We pointed out how important it was to this country to maintain the British preference and how severely our exports to the British market would be hit if that preference were removed.

Mr. Heath explained to us at that time that Great Britain would like to maintain the British preference but that it was completely out of British hands because a condition of entry into the common market was that Britain should set aside British preference for all time. Mr. Heath let us know that our hopes for maintaining even part of the British preference should be set aside and forgotten. This was a great shock to us. As I said, President DeGaulle stopped Britain's entry into the market at that time and the British preference was continued. What is taking place today is exactly the same thing. As I said earlier, and say again, there is no doubt that Britain is on its way into the common market. As soon as it enters that market, the British preference will be as dead as the Dodo for all time.

After Britain's entry into the common market, we will have tremendous difficulties in increasing our sales of manufactured goods to that market. We will have great

trouble in maintaining our large volume of sales to that market. All of these factors point to a great need for extensive effort by the government to increase our exports of labour intensive products, namely our finished manufactured products. Anyone can sell raw materials. In fact, we practically have to put up barriers to stop the flow of them out of the country at a faster rate than we desire. Selling our manufactured products will be a very difficult job in the future. We must do whatever we can to increase these sales to our two biggest markets, the United States and Great Britain. We must do whatever we can to increase our sales to our third biggest market, Japan and the European Common Market. We must find our markets wherever we can, and we need increased markets very badly.

Some ten years ago the government, of which I was a member, was faced with exactly the same problem the government is faced with today. We had serious unemployment in 1960. Something had to be done and we decided to make a tremendous effort to increase the exports of those products which in turn would result in an increase in employment. We put on an export drive which was successful. We did a number of things. I will not bore hon. members by going into them all now, but I should like to mention three things because I feel they would be equally effective today.

• (3:20 p.m.)

First of all, we greatly increased our participation in trade fairs throughout the world in an effort to show Canadian goods to people on the ground where the market was and to show them what we could produce. We made a tremendous increase in the number of sales and in the number of exporters who participated. This paid off enormously. Second, we increased by not less than six times the number of trade missions we had sent abroad previously. We sent trade missions abroad composed of Canadian producers so that they could see what the conditions for sales were in the countries in which they wanted to sell their goods. In this manner, they could determine what styles were needed, what kind of pricing was needed and so on in order to make sales. They came back and changed their methods of production, their styles and pricing and made goods to suit those markets. This increased sales very materially.

The third thing we did—these are three of the many things we did but are the three I wish to mention to the House today—was fly in large numbers of buyers, first of all from the four main United States markets, Philadelphia, New York, Chicago and Los Angeles. These buyers were brought to trade fairs in Toronto, Montreal, Winnipeg and Vancouver where they were shown our manufactured goods. We showed those potential buyers what we could produce in Canada. They were very interested and many orders resulted.

Finally, we put on a tremendous exhibition to which we brought people from all over the world. We brought some 600 buyers here to see what Canada could produce in the way of finished goods and heavy machinery, another great potential sale item for Canada. This produced great results, but there was nothing clever about it. We simply applied ordinary, business common sense to government operations. In order to sell things, you must show them to the people to whom you wish to sell them and make them available at a price and in a quality and style which will produce orders. If you do not do this, the buyer will not buy and if you do there is a good chance he will.

These are the kinds of things business does when it is faced with the type of problem facing the government today which is an urgent need for greatly increased sales of manufactured products. I offer these suggestions to this government in all sincerity. I do not suggest we were in any way clever or smart in producing these ideas. They were the ideas of business and business helped make them work. The important thing is they did work. In one year these ideas turned 10 years of continuous trade deficits into a surplus, and from then on the country never looked back. This scheme reversed rising unemployment, which is a matter of tremendous importance to the country today, and laid the foundation for the prosperity of the sixties. So, I simply urge this government to seriously consider this matter and consider adopting some of the methods that were useful at that time in order to do what the government must do for the country today. It must increase sales of manufactured goods because they are the labour intensive products we turn out. The government must reverse the rising tide of unemployment and put the economy of the country back on its feet.

Mr. John Burton (Regina East): Mr. Speaker, the program embodied in the Export Development Act is very important to many Canadians. To give one example, it is very important to many farmers in western Canada. They watch the performance of the export credit insurance program very carefully. They regard it as being one of the important instruments whereby export sales can be facilitated. I should say this, of course, applies in many other regions of Canada and in respect of many other products. Certainly, with regard to wood and wood products, minerals and processed mineral products as well as many other manufactured products, the program is of considerable importance in promoting exports. However, one would not realize the importance of this program on the basis of the minister's attentiveness to this particular bill which is before us today. I say this with the greatest respect to the Parliamentary Secretary who introduced the bill for second reading. I noticed the minister was present for the question period. Then, he spent some time behind the curtains discussing something with some hon. members, but at no time was he paying any attention to the comments being made in respect of the bill now before us.

I think the importance of the instrument established by this act is illustrated by the fact that the act was passed first of all in May of 1969. It was introduced for first reading in March, 1969. I refer to the Export Development Corporation Act. Only one and one-half years later, in November 1970, the government introduced another

measure asking for a major extension of the financial limits set in this legislation. I want to say that we in the New Democratic Party feel that the provisions for export insurance, export loans and guarantees are important and useful within the context of our over-all trade policy. To the extent that this assists in filling the objectives of our trade policy we certainly do give our support to it. However, within the framework of the program as presented, and as it has developed, two concerns were expressed at the time this legislation was first passed almost two years ago. I feel these concerns must be expressed again today.

The first concern is in respect of the export of raw materials and semi-finished materials by Canada to foreign nations. As I mentioned this matter was raised during the debate on second reading of the original export development bill. With regard to the operations of the act which is before us, I note that the 1969 annual report classifies exports for which insurance was provided in the year 1969. The 1969 annual report is the most recent report available. The annual report indicates that considerable emphasis is being placed on programs or policies to ensure the export of fabricated materials and their products. This, of course, is rather difficult to judge because of the fact that in the area of fabricated materials, which constitute something like two-thirds of the total amount of exports which were insured, there is a considerable amount of what would appear to be semi-processed materials such as wood pulp, for instance, which by itself constitutes almost 20 per cent of the total amount of exports insured under this program in 1969.

I also examined the loans and guarantees provided under section 29 of this act and the performance in that regard. In my analysis of those loans and guarantees as listed, there would seem to be an indication that some emphasis has been placed on the export of finished products.

The second major concern which has been referred to in discussion of this bill has to do with the percentage and proportion of our trade carried on with the United States.

• (3:30 p.m.)

I wish to make it quite clear that so far as we are concerned we are in favour of trade with the United States, our large neighbour to the south, when this makes good economic sense in terms of promoting the wellbeing of the people of this country. However, I think it must be said that a question does exist in the minds of many Canadians concerning the extent of our trade which is carried on, not because it makes good economic sense, but in fact because it is promoted by the corporate links that exist between companies in Canada and the United States. This, of course, does involve another issue which is of great importance to Canadians and with which I shall deal a little later.

I think the seriousness of this problem was noted by the Minister of Industry, Trade and Commerce (Mr. Pepin) in his year end review where he attempted—and I suppose I cannot blame him for doing this—to show that in fact some better balance was achieved in Canada's trade performance in 1970 than in some previous years. He pointed out, as indicated on page 4 of his statement, that there was a marked slowdown in Canadian exports to the United States in 1970, and in elaboration he stated that the gain in Canadian exports to the U.S. may account for less than one fifth of the total increase in Canadian exports. By contrast, the U.S. accounted for seven eighths of the advance in the total value of Canadian merchandise exports in the period 1965 to 1969 inclusive. Then, the minister went on to give some of the reasons why he felt this change in pattern had come about in the year 1970. He indicated that it was due, firstly, to general economic conditions in the U.S. and, secondly, to a slowdown in the automotive sales in the U.S. and the finally upward change in the value of the Canadian dollar.

The minister went on to summarize by stating that the much sharper rise in Canadian exports to overseas markets than to the U.S. has increased the share of Canada's exports going to overseas countries from 29 per cent in 1969 to 35 per cent in 1970, while the share going to the United States has declined correspondingly from 71 per cent to 65 per cent. I suppose I cannot blame the minister for bragging a little about the improvement that did take place in 1970 as compared to 1969, but I think that the basic point that must be noted is that a very bad state of affairs does exist in respect of our over-all pattern of trade. At the same time, we should also take note of the prospects for 1971. This, of course, is of relevance in terms of dealing with the direction which the export credit program should take in the future. The minister noted that there were grounds for optimism with respect to Canadian exports in 1971, and several items that he mentioned referred to U.S. conditions.

I might note, without going into details, that the implications, as I read them, are that in fact we will once again see an increase in the percentage of our trade with the U.S. in 1971. I note as well in the report of the Export Development Corporation for 1969 that the direction of the insurance programs, as they have been carried out, has been such as to at least encourage some shift in our trade because I note, looking at the 1969 annual report which sets out an analysis by countries of actual risks undertaken during 1969, that 11 per cent of those risks were underwritten for trade with North American countries; 13 per cent with central American and Caribbean countries; 17 per cent with South American countries; 2 per cent with the Middle East; 4 per cent with Africa; 9 per cent with Oceania; 8 per cent with the Far East, and 36 per cent with Europe. Certainly, this is the type of trend that I would hope to see continued in future years by the corporation. I feel that, indeed, it can play a useful role in diversifying Canada's trade pattern.

There is one other area of conern with regard to this bill. It relates to the amendments to section 34 of the act which deals with foreign investment insurance. These, I consider to be of great concern to the Canadian people. This concern was first expressed by the hon. member for Waterloo (Mr. Saltsman) when the original act was debated in the House of Commons in April of 1969. He

pointed out a number of concerns in that regard. I would like to place on the record one of them, as expressed by the hon. member for Waterloo, which is recorded on page 7481 of *Hansard* of April 14, 1969. The hon. member stated:

> I very much fear that what we are seeing here is an attempt to enter into the 20th century scramble for investment, just as the nations in the 19th century scrambled for colonies, and it seems to me that Canada is now joining the new investment imperialism.

Later on the hon. member for Waterloo also stated:

> Canadians do not wish to be imperialists. We do not want to join in the scramble for financial colonies. We do not need them. We have no interest in playing that kind of role in international affairs.

It seems to me that those remarks should be kept in mind as we deal with the amendments to the act which are now before us. I suggest that, first of all, we can question the morality of such action and such an approach in our international relationships, and second, from a different plane but a practical one nevertheless, I think we can question whether Canada in fact can compete in this league if it is given the opportunity to do so.

I think a second area of concern is to ask what benefits accrue to Canada by taking such action, that is, encouraging private foreign investment in other countries and, in fact, helping to underwrite any risks that are involved. Possibly there may be short term benefits, but I think they are by no means certain in many cases. From a longer term point of view, I think it can be said quite safely that often there are no net long term benefits when the total picture is examined. Just to give one example, there have been recent indications of resentment toward Canada in some Caribbean countries as a result of private foreign investment by Canadians in some of those areas. I think we have very important concerns about foreign investment as such which need to be kept before us. We are in a difficult position in our own country in respect of the extent that our resources and industries have been alienated from Canadian control. Now, we are promoting Canadian action of the same nature, only on a reverse basis. In fact, we are trying to get the same gains by shipping some of our private capital to foreign countries and thus achieving a similar effect on those countries as some foreign investment programs have had on Canada.

This is a debatable point, but if it is so then I would think there is all the more reasons for concern about such a program. It seems to me to be folly to encourage the export of Canadian capital and Canadian savings, while at the same time continuing to allow the import of large amounts of capital into this country which of course has some very obvious effects on the welfare of the Canadian economy.

A further question that can be asked is whether this is the best way to assist developing countries. We must be concerned with the development of new nations. I feel we have a moral obligation to do so. But in carrying out our programs, we must respect the sovereignty of those nations, both political and economic, and we must allocate funds to help those countries develop their own resources. But this bill encourages private investment as part of our contribution. I suggest that a very important question is: should this be encouraged as part of government policies and programs? I feel we would be much better off to provide our assistance in the form of official aid under public auspices.

• (3:40 p.m.)

There is further cause for concern with regard to the position of the Export Development Corporation when we take note of a reference in its 1969 annual report which sets out what the corporation had done to the end of 1969 in carrying out the provisions of this particular portion of the act. I feel it is important to draw this particular matter to the attention of hon. members. I quote from the report as follows:

> Foreign investment insurance is available for the first time in Canada under the Export Development Act. Insurance against loss due to political risks such as war or revolution, confiscation or expropriation, or the inability to repatriate capital or transfer earnings is available to Canadians wishing to invest abroad. Such insurance is restricted to new investments made in developing countries.
>
> A bilateral agreement must be signed with the government of the host country as a pre-requisite to operating the programme in that country. Negotiations have been initiated with a number of countries but by the end of the year none had reached the signing stage.
>
> To enable investors to proceed with their investment EDC has adopted the technique of issuing a waiver letter. The investor, upon receipt of such a letter, should he elect to go ahead with his investment, will not have his case prejudiced at a later date on the ground that he no longer has a new investment.

It is very interesting to note the use of the term "political risk." We need to take a look at this particular part of the program in terms of what we would think if the position were reversed. What would we think if such laws were passed in other countries applying to Canada? Possibly there are some such laws in some countries, but I am not aware of them. We would have some objection to such a law if it might apply to Canada.

Now, we are confronted with an amendment which will remove the pre-requisite of a bilateral agreement. This provision is contained in clause 8 of the bill. If the amendment is passed, that provision will read:

> "(d) that would insure an investor against the risk of loss of or in respect of an investment in a foreign country unless
>
> (i) the Minister is satisfied that the interests of the Corporation in investments in that country will be protected, and
>
> (ii) the government of that country has signified its approval of the investment by that investor."

It seems to me that this is a much more loose wording than we had in the original act. Within the framework of policy as it is presently set out, it certainly becomes very tenuous and questionable. The government's action in bringing this amendment before us demonstrates the original concerns expressed regarding the policy itself. I feel it must be examined very closely. I certainly feel that the remarks of the Parliamentary Secretary today, together with the answer he gave to my question, indicate that there have been objections by governments of

foreign countries, and so we must look at this particular clause very closely.

There are two further points I would like to examine briefly this afternoon in relation to the bill before us. I think it must be kept in mind that credit programs and credit insurance programs are an instrument of policy. They can be effective only if there is adequate policy direction. There is a very real need for policy direction. This concern was expressed in the 1969 debate, that adequate policy direction and development were essential for effective operation of the legislation. At this stage I do not pass judgment on this particular matter. I just wish to draw it again to the attention of hon. members.

We must also keep in mind that trade policy is a crucial and critical area of Canada's economic policy. I have taken note of some of the speeches delivered over the past year by the Minister of Industry, Trade and Commerce, in which he makes reference to the new challenges and the new trends in trade. He finally ends up by suggesting in effect, "I am all right, Jack," or "We will handle it somehow." Now, there has been something of a change in tone. This was certainly evidenced by the statement which the minister made to the House of Commons on motions on December 1, which in fact indicated a very drastic change of attitude. There is now something in the nature of panic in the approach of the government and the minister. This very clearly indicates that the happy salesman, the smiling salesman approach, simply is not good enough in dealing with trade matters.

We do have new developments in trade, Mr. Speaker. The dangers of an increase in protectionism are with us. We must take note of them and try to counter some of the possible developments. We also note the development of regional blocs in world trading patterns. We have also to take account of developments with respect to the European Economic Community. GATT has, of course, developed into a much broader and different organization from what it was when first established. We have special deals in international trade today. All of these things must be taken into account in developing our over-all approach and policy with respect to trade.

Some of these developments must be related to other phenomena such as the growth of international corporations. Some people predict that by the end of this century nation states will not be the important unit in world affairs, and that the important unit will be the multinational corporation. This has very profound implications. We must take note of the fact that probably one of the reasons for the growth of the European Economic Community was the desire of European countries to develop institutions which could compete with international corporations undertaking activities in Europe.

In our own country we have a problem in respect of the large degree of foreign ownership and control of our economy. All this has produced distortions in our trade and trading patterns. And to obtain further information from the minister I ask, what is the policy of the Export Development Corporation in that regard? Does it have any policy with regard to the manner in which its programs will encourage trade on the part of foreign owned and foreign controlled corporations? Is consideration being given in its programs to the development of the government's long anticipated policy on foreign ownership?

We must also keep in mind the need for restructuring and rationalizing Canadian industry. We have heard various comments from the Minister of Industry, Trade and Commerce suggesting that Canadian industry cannot be restructured and re-organized adequately within a national framework. I suggest that this reflects something of the attitude of the government, and that it is not looking towards a policy that will develop a viable Canadian economy. Certainly, we want trade where it is in the interests of the Canadian people but it must be related to the over-all welfare of Canadians.

For some time Canada has followed the multi-lateral approach in trade. If it is going to continue to follow that policy it has to take steps to make sure it works, or we will have to consider the alternatives, a move towards continentalism or to some form of isolationism. In my view either alternative would be disastrous for Canada's future. The government must actively negotiate to improve our position in over-all trade. Time is running short. I suggest that the livelihood of many Canadian people is dependent on the actions of the government within the next short period of time. Certainly, I think that the role of Canada as a nation is also involved. For these reasons, I feel this is very important legislation and I hope it receives more detailed consideration by hon. members both at second reading and committee stage.

• (3:50 p.m.)

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, the bill presently before us is intended to increase our exports to foreign countries. As a matter of fact, it asks that the authorized capital of the Export Development Corporation be increased from $25 million to $75 million, which is a considerable increase. After listening to the speech made by the Parliamentary Secretary to the Minister of Industry, Trade and Commerce (Mr. Howard), and the public statements made previously, everything leads us to believe that the government is trying by this means to find a way to check unemployment.

Mr. Speaker, among the many problems that constitute a chronic challenge to economists—because many economists have also studied this problem, and, to this day, they have not found any real solution—is international trade.

Among other reasons why international trade has become such a cumbersome business is the fact that it has radically changed and its original character and purpose have now been forgotten. In primitive times, when states took shape, there were communities anxious to trade with other communities for the purpose of acquiring goods which they needed and which they were unable to produce for climatic and other reasons.

The original basis for international trade still exists. The most recent and most obvious example has been the

sudden impressive demand for wheat in China and the Soviet Union. But while the need for large imports exists and will continue to exist in under-developed countries and in countries lacking raw materials, the demand for imported products is slowing down in developed or industrialized countries.

In those countries, public pressure demands exports. Now and then, one hears the slogan, "Export or perish", as if it were the acme of wisdom. This slogan nevertheless expresses what lies behind the term "international trade".

Our ancestors would have been surprised if they had heard this slogan in the pre-industrial era. If someone had told them: "We must import or perish", they would have understood immediately. But who, they would have asked, ever heard of nations perishing because they could not export their products?

It would be interesting and instructive to trace the evolution of world trade and its development from the days when it consisted merely in the exchange of products for other products, up to the complex and capital role it plays nowadays in the economic life of industrial nations. Even when the industrial revolution started, the major problem was to find consumers with enough money to buy the increasing production. Great Britain solved the problem by lending its overseas customers the necessary funds to pay for their purchases. That was a forerunner of the Marshall Plan. But in that case, sooner or later the buyer had to pay and he did so by way of raw products needed in Great Britain.

As the industrial revolution spread, the search for markets developed and because other countries followed the lead of Great Britain in financing their customers, the international debts known to us appeared. The relatively recent demonstration of the power of money has had an incalculable and often unfavourable influence on world affairs. It has also hidden the real and simple object of international trade and has spread confusion among the people about this matter.

The enigma in the present situation is that developed countries are able today, even without the help of automation, to produce much more than they can consume. The effect of this imbalance is made worse by the fact that there is insufficient purchasing power to ensure the purchase of all products offered for sale. Therefore, markets must be found for the surplus, and that gives rise to these efforts to increase exports.

At the present time, Canada is giving assistance to underdeveloped countries. This does not prevent us from exporting unemployment, operating our industries and finding jobs for our workers, while we are exporting goods we produced at great cost but do not consume.

We find the means of assisting underdeveloped countries by supplying them, for example, with technicians trained at our expense. We also supply them with equipment and machinery in order to help their development. That is another way of keeping our workers busy.

During the last World War, for example, Canada produced a tremendous amount of munitions, of materials of destruction that we exported freely over the heads of our enemies and we also exported some to friendly countries to help them fight Nazism. We produced and exported foodstuffs, mainly to England which was not at the time able to pay for them and we granted it credits amounting to billions of dollars, to allow it to buy from us foodstuffs so that it could carry on its war effort.

But when the time came for Britain to pay back the credits it had obtained from Canada, it was obvious, Mr. Speaker, that Canada could not accept, after the war, these payments from Britain, because it wanted to pay back with British products, which has resulted in severe unemployment in Canada.

The British were at work while at home, we had unemployment. Obviously, Canada could not accept this method of repayment, and that is why, perhaps, the government has let Britain get away with its war debt.

Again, world trade is not aimed at the exchange of surpluses for products that we lack, but rather at keeping our production going and employment at its peak. Lord Keynes expressed concisely this state of things when he said that the object of international trade and commerce was to export unemployment.

It is further argued, however, that international trade is what it used to be, that is to say the export of surplus goods against products in demand. While the government wants to have an act passed in order to expand exports, a bill originating from the Senate is introduced for the approval of an agreement signed by the Prime Minister (Mr. Trudeau), during his recent visit to New Zealand, and which aims at increasing our imports from this country.

• (4:00 p.m.)

While we are trying to draft a legislation to increase our exports, we are passing another one to establish new relations with New Zealand. This is why we still maintain that international trade is a two-way operation. It is quite well if we wish to promote trade in one direction rather than the other. Our wheat sales to China and the Soviet Union were, according to the Secretary of State for External Affairs, a superb transaction.

We were concerned, however, when those countries did not insist on paying us with their own products? On the contrary, that fact made the transaction truly superb according to the minister and we were all quite satisfied. For the tons of gold they shipped to Canada, the Russians obtained our wheat which they consumed, while the gold which we received was undoubtedly shipped to Fort Knox.

All countries would like to trade both ways, but not too much. They also seek a favourable trade balance, which means more exports than imports. To reach and maintain this position, it is necessary to extend credit and have foreign debtors. There are very few cases of customers paying with gold, as does the USSR, while debts created through export credit must never be repaid because payment would entail greater imports, an unfavourable trade balance, in short, disastrous stagnation.

At this stage, Mr. Speaker, I would like to quote French author André Philip who, in his book *Histoire des faits économiques et sociaux*, explained how the United States paid the 1914-18 war debt of Germany as follows:

> Between 1926 and 1931, the financing worked in a strange way. After the collapse of German currency, the Allies had considerably reduced reparation debts imposed on Germany. The principle of reparations in kind had been rejected from the beginning for fear of the competition that German business leaders could thus make against French and British firms.

Mr. Speaker, that is precisely what I have just explained. In trying to export goods, an effort is being made to export unemployment and that is exactly what the French and English feared when they asked Germany to pay off her war debt.

I resume the quotation:

> Reparations having been transformed into cash annuities, Germany's payments could not be very high since compensation, in the form of products it could supply, was being refused. The Dawes plan (1924) reduced the amount of war reparations and, without anyone being aware of it, a very special system of war reparations settlement developed. At that time, there as an abundance of funds in the United States; the Federal Reserve Bank was starting to put a stop to speculation on the New York stock exchange; available American capital looked for short term opportunities abroad and poured into Germany. German bank reserves being thus strengthened, Germany was able to pay off the smaller amount of war reparations; with the money they received in turn, the French and British governments paid back their interallied debts to the United States. Those settlements increased ready cash in America and provided increasing amounts of American capital for short term investments in Germany. The cycle started anew, and finally, the Americans paid off the war reparations debt Germany owed.

Mr. Speaker, developed countries now face the problem of keeping the wheels of industry rolling, and maintaining employment.

But as production capacity has increased and the industrial revolution is spreading to under-developed countries, the gross national product increases by leaps and bounds while demand decreases. Thus, both on the industrial and domestic scenes, the problem is the same: a glut which stems from an insufficient purchasing power.

The solution to the international trade problem will be around the corner as and when we recognize that the evil is rooted in our own country. The problem to solve is that of domestic distribution. Why should we try to export more when we cannot even find the way to consume more in Canada?

As far as international trade is concerned, the sole need for exports is justified by that of reimbursing the amount due on our imports. The "export or perish" motto is meaningful only if we accept the fact that we must export an increasing portion of our production, over and beyond our imports, so that the employment level be maintained and that workers may earn enough money to purchase the balance of our domestic production.

We now come to one of the Créditistes' favorite themes. In developed countries, production techniques

have been harnessed to such an extent that we are now in a position to produce all necessary goods and services to live not only adequately but in ease.

Then, Mr. Speaker, instead of seeking to export more, why not try to consume more? When I am convinced that all Canadians have enough goods at their disposal, that they can acquire enough to satisfy their needs, then I will be in full agreement with the contents of Bill C-184 and ready to accept it. However, it cannot be said that Canadians today enjoy the kind of buying power that would enable them to acquire all the goods and services they need.

Over the Christmas season, I have had the opportunity to meet several Canadians, many of whom family men, who had to eke a living out of unemployment insurance benefits or welfare allowances.

They could not find a job, earn a salary, receive an income. I saw in these families,—and that happens often; others have had the opportunity to realize it; I am sure,—that at the end of the month, before the next allowance comes in, there was not even a quarter left to buy a small box of aspirin to relieve physical pain.

Now, Mr. Speaker, faced with such a situation, instead of trying to export more, we should try to consume more.

We hear everywhere—and that is nothing new—that the workers are asking for salary increases in order to be able to buy more goods, but continued price increases cancel out these salary increases immediately. Therefore, we no longer need what has been proposed by the Beaupré report, the CNTU or other trade unions. In fact, it is not so much salary increases that we need, as increases in our purchasing power, so that we can buy more goods and consume more.

An increase in purchasing power may be achieved in two different ways. First, by increasing salaries and incomes, and then by reducing prices, which can only be accomplished by reducing income taxes and federal and provincial sales taxes. Only thus can we effectively reduce prices and increase purchasing power. We are now faced with a decrease in purchasing power. For instance, before the Yuletide season, the bus fare between Hull and Ottawa had been 20 cents. Now, without any improvement in service, the same fare costs 25 cents. This is a 5-cent increase and by the end of the week, the clerk, the civil servant, the white collar worker, or whoever has to travel by bus, will see his weekly wages reduced by 50 cents. This means that his buying power will have dropped by 50 cents without additional service.

I am not saying that Bill C-184 should be rejected. In my opinion, it should be introduced and referred to the committee for thorough consideration; however, I contend that this is not the true solution for checking unemployment in Canada, for attaining full employment as requested by so many people. I believe that if we want to be able to make every Canadian happy and satisfied, we have to strive for an increase in consumption rather than in our exports.

• (4:10 p.m.)

[*English*]

Mr. Steven Otto (York East): Mr. Speaker, if the Parliamentary Secretary would stop writing for a moment he would hear me compliment him on the way he presented this bill. I have always been in favour of Parliamentary Secretaries playing a bigger role in the House, especially in the presentation of bills. In the present case, not having the apprehensions that the minister would have, the bill was presented in a much more rosy manner and in much happier vein than I imagine would have been the case had the minister presented it.

We have to go back in history to King Canute, who was alleged to have been brought to the ocean to command the waves to stop and the tide to roll back, or in similar vein to the Prime Minister (Mr. Trudeau), coming out of a cabinet meeting and going before the cameras to say that inflation shall cease, and so it did, to find a parallel to this bill that purports to solve our future ills in the field of imports and exports. With all respect to the Parliamentary Secretary, I say that this is a pathetic little bill. In view of what I am going to say, and in view of the vast problems that Canada will be facing in the 1970's I am going to leave it up to the House to decide just how influential this bill is going to be in protecting Canadian export trade.

The dangers posed to our trade are vast and are no longer a secret. Japan has entered into what is almost a holy war, and very successfully too. I am going to outline some of the pieces of legislation passed in Japan in the export field, and I am going to describe the Japanese export blitz and indicate to the House how successful it has been.

Germany is the second threat and is well established in the export game. We then have the United States in a defensive role. However, the three of them are going to place Canada in extreme jeopardy, and again I am going to leave it to the House to decide whether this bill will indeed meet the difficulties raised.

It is now no secret that Japan controls about 40 per cent of world exports, and this in the space of 25 years. This is no accident, Mr. Speaker. It has been done in this way. First, the export offensive has been personally commanded by Premier Sato; his portfolio is the export trade. He heads the supreme trade council where top business and government leaders quietly slice up the world market and set annual goals for the export of every major product to every country of the world.

I have had experience with Japanese exporters and I know hon. members will be amazed to know that as a result of the system, the very tight pyramid system in the economy of Japan, companies are given what is almost an exclusive franchise for their products for different parts of the world. These companies are expected to increase their exports by a certain percentage every year. If they do not, they lose their franchise. We, on the other hand, carefully protect our competitive position. We are very much aware of monopolies and cartels. It is presumed that in Japan monopolies are sponsored for the export market only, but this is not so. The Japanese industrial empire encourages cartels and large growth, as well as what is almost a monopolistic enterprise both internally and externally.

In view of this dedication and concerted effort of the Japanese government, headed by the Prime Minister of the country, in the field of exports, I do not think I need go further and outline how important exports are to Japan. In order to boost exports, the government backs corporations with an arsenal of assistance. For example, it offers credit at preferential rates.

We have credit in Canada, too. The hon. member for Regina East (Mr. Burton) asked the Parliamentary Secretary how many countries have been approved for credit and he had to reply that none had. When applications are made it is naturally to be expected that the buyers of our goods should be considered triple "A" credit risks. Yet our bankers wag their heads and say: "We are not sure that Company so and so in Argentina is as good as it is made out to be; let us have a financial statement, a guarantee or a bond from them". By this time, of course, there is not much left of that export market.

We export to countries with which we have established trade relations, such as the United States, the United Kingdom and certain countries in Europe. When it comes to expanding and encouraging trade in other countries, there is not a chance. On the other hand, the Japanese, in effect, buy discount paper 100 cents on the dollar and the government absorbs the risk of non-payment. This is the effect of their regulations and combines. Our businessmen have to go to the bank to borrow money to export and have to pass certain tests before the loan is granted. In order to get it insured, they have to convince the government that the buyer is a first class risk. However, by this time they have been beaten by the Japanese and the Germans who do not care who the buyer is so long as the goods are delivered. Then, the manufacturer gets his cash on the barrel head, the risk being absorbed by the government. I say that this bill is a pathetic attempt to match their legislation.

In addition to this, tax incentives are offered. Even overseas advertising campaigns that fail to meet projected sales targets are insured. In other words, the government of Japan not only sponsors companies and provides them with money to manufacture goods, but it pays for a large part of any advertising campaign and absorbs the losses, if any. If a certain company does not quite make it in another country, then the loss is made up by the government, not by the company. Contrast this with the position in Canada, where we say to our small businessmen: "Why don't you export to Colombia or to Argentina? We will give you all the services of our trade department."

There are two different branches in our external affairs department. One is on the political side and is headed by the Secretary of State for External Affairs (Mr. Sharp). We then have our trade branch. The head of a mission is always recruited from the political side, never from the trade side. So, naturally the ambitious and the keen young men move away from the trade side

and get into the political side because we have not emphasized trade. The Japanese government feels that it is the trade attache who is the important person in a country. Cartels of exporters meet regularly to fix prices and lay plans for overwhelming foreign competition. In Japan, whenever two or three competitors are seeking one contract they are merged into one, whereas in Canada we might have six competitors; in the United States 12 competitors and in France four firms competing against each other for the same contract. In Japan, they have a sales cartel through the efforts of the government or by agreement.

• (4:20 p.m.)

There is a large and growing foreign aid program, which is another export promotion device fueled with long term credit and direct investments. The Japanese have what they call the Soogoo Shoosha, which are general trading companies. These trading companies are given the money with which they can make any kind of a deal. After they have sold the goods the government ensures that the money is provided the manufacturers who, in turn, can pay good commissions. The trading companies can then buy and sell.

In other words, in Japan they have sales men who are sponsored by the government. Here, we have to look for manufacturers' agents who must spend money to go to foreign countries in an attempt to establish contacts. This takes a lot of money. Our Canadian entrepreneurs have a tough enough time to make ends meet in Canada. They have not got the money or the inclination to go outside the country.

Mr. Saltsman: Mr. Speaker, I wonder whether the hon. member would permit a question either now or at the conclusion of his speech?

Mr. Otto: At the end of my speech.

Mr. Deputy Speaker: Order, please. The hon. member for Waterloo is not in his seat. He will have to take his place if he wishes to speak.

Mr. Saltsman: Mr. Speaker, I was just asking the hon. member—

Mr. Deputy Speaker: Order, please. The hon. member will have to take his place, and then I can hear him.

Mr. Otto: I will answer the hon. member's questions later. He might put them to me at the end of my speech.

Japan also has something we do not have here in Canada. It has an export research organization which coordinates market research, product research, finance research and export research and provides the results to the company involved. We received a report recently from the other house about the status of our research of all kinds, scientific and other. We have absolutely no sense of application of research. We spend millions of dollars on research which is applicable to nothing. We expect the manufacturers in Canada to go to other countries and research a product. They must spend all that money without knowing whether the product will enventually be sold. We are told to get the information from our Department of Industry, Trade and Commerce. I have been there and have been led on a merry chase all over Colombia and Venezuela in respect of a product that was not to be sold there. It cost my company $46,000 to learn that lesson.

The fact is that we do not have the proper research organization in Canada, or a real Crown owned research organization, which combines market research, product research and other research. I have said this for seven years but have achieved no results. We have junior research organizations set up in each department, which usually amounts to someone who does not have much to do who is put in charge of research.

Japan pays an annual retainer to a company for research programs. In 1953, the Japanese instituted a sales program for Japanese cameras. These companies now control 60 per cent of this market for high and low priced cameras. It also launched a program in respect of luggage and stainless steel products. This was based on research carried out by companies on government subsidy. The result of that research was passed on to the producer. The Japanese realized that if they produced luggage of such a quality and price, they could compete on the Canadian market. The manufacturers were told that the Canadian market would accept products of a certain kind. As a result, they concentrated on this field.

I have outlined very briefly the sales drive in the export field by the Japanese. This is the type of thing we must compete against. Japan has also developed another gimmick in export marketing. Japan is short of fuel and energy. Purchasers have come to Canada to buy coal and oil, but this is a two-way street. Japan might purchase $10 million or $1 billion in coal but will then say that having purchased that coal Canada must purchase radios, television sets and tubes manufactured in Japan. If the government of Canada indicates it will not allow these imports and imposes high tariffs, Japan will then withdraw its imports of coal. We will then receive complaints from the western provinces.

Let us now consider West Germany because that country represents another threat to our export markets. This tremendous increase in West German exports started some 40 years ago. Shortly after the war, Germany concentrated on markets in South America. Any business that is done with South American countries now is done through Germany or German financial institutions. In other words, Germany has a strong hold on the whole of the South American economy. This is a shame because South America and Latin America were ripe for Canadian investment and participation.

The United States had exhausted its goodwill in Latin American countries many years ago, and these countries were looking to Canadians but we were way behind the times. The German government sponsored the development of the export industry in the South American countries. Head office plants were established in Germany.

The money invested in South America is German money and the preference is given to German products. Indeed, the language of business there today is either Spanish or German. The English language is not even mentioned. Throughout most of the world, English is the commercial language but in Latin America the commercial language is German or Spanish.

Perhaps this is the result of our slavish adherence to the terms of GATT. We do not subsidize because we cannot under these general agreements. Germany subsidizes transportation on its canal system, as does Japan. Every firm in Germany, no matter where it might be located, can move goods to the seaports at a pittance. These firms may be located 180, 200, or 300 miles inland. We cannot subsidize the St. Lawrence Seaway System because this would violate GATT agreements.

Germany and Japan directly or indirectly subsidize export financing. They discount all the paper. These governments do all the promotion, all the research and all the export planning. We will not do this because we have to abide by the GATT agreements. The first thing this government should do is re-negotiate Canada out of GATT.

Canada is not the only country in difficulty. The United States is having trouble as well. The trade bill that is going through congress right now includes a device called "DISC". This is an attempt to prevent the onslaught of Japanese, German and European exports on the United States market. One of the provisions that will go through relates to the fact that United States corporations will be allowed to establish sales companies for export trade. The profits made by these sales companies will be untaxed until, if and when the foreign company brings the profits back, and of course this will not happen. Now, do you understand that they receive a 50 per cent bonus? Naturally, the United States parent companies of Canadian subsidiaries will not use the Canadian companies to produce the exports because they want to get the benefit of production in the United States.

• (4:30 p.m.)

Another offence, I believe, against the GATT agreements is the discounting of trade paper which is being done by the Japanese and Germans. While the United States does not have much to fear, it is protecting itself in the 1970's so that it will be able to hold its head above water. The United States will not be fooled by the so-called voluntary restriction by the Germans and Japanese in respect of certain trade items. While we debate the matter of shirts and underwear, they think of much greater problems. The United States is also safe because it has probably the world's greatest accumulation of capital. Much of the money in the European Economic Community is probably United States money, as is the case in respect of Japan and Canada. Therefore, they have a protection which we do not have.

What do we have to do in order to survive in the seventies?

Mr. McCleave: Get rid of Toronto.

Mr. Otto: I think we should have a complete ministry, such as a department of trade and commerce, dedicated solely to the promotion of export trade. We should have a development corporation with a banking system because we are probably the only country in the world which is left with a branch banking system which is headed by a very reactionary and conservative group of men. They are not really businessmen but are men who are of the old school. They look at every penny and cross-examine every applicant to see who his great grandparents were and whether anyone in the family was hanged. They also want to know whether he is guaranteed by the government of Canada and so on. This is our banking system. There is no room in Canada for the young entrepreneur or the daring businessman. It does not matter what we do by means of this bill; so long as our financial institutions are not behind us we will get nowhere.

The only way to handle the banking problem is by controlling the reserves. The banks are still touchy about the reserves. We could say to them that whenever they lend money for export credit purposes reserves of only 2 per cent will be required, but when they lend it for buying convertible cars in Canada or for consumer credit purposes they will be required to have reserves of 30 per cent. That, I believe, would hit them in a way that they would understand. The banks are not likely to cooperate with us and I doubt whether we would ever introduce a banking system which would be involved at all with government. I believe it would be a long, tedious process to attempt to change the banking system and, therefore, we must take control through the only method we have which is through the Bank of Canada.

Canada has a very large bargaining point. We still control probably the largest source of energy in the world. I want to mention the deal made by the Minister of Energy, Mines and Resources (Mr. Greene). We sold $6 billion worth of gas to the United States but that $6 billion worth of gas would supply the energy necessary to produce $60 billion dollars worth of profits from manufacturing. We should say that so long as $20 billion of the profits from manufacturing remain in Canada, they can have the gas. In other words, there is only one way to save our position, and that is to tie manufacturing and growth in Canada with our export of energy because they have to have it. The United States must have our gas and probably our oil. They must have our minerals, our steel, our iron and all these things. I think we can insist on this as we did in respect of the automotive pact. The automotive pact is one reason our exports to the United States are increasing. We could do the same thing in respect of our energy. It is the only weapon we have and I believe we should use it.

We must rationalize our industry. We talk about rationalization, but a few weeks ago we spent a good part of a day protecting the shirt industry. Rationalization, I think, would indicate that the shirt industry is just not for Canada. The aircraft industry, however, is. We have a source of cheap power. About one-third the cost of producing an aircraft is represented by the use of electrical power. We have the aluminum and other raw materials.

Up to 1962, we had the nucleus of an industry and we could have it again. The sponsorship and support of an aircraft industry in Canada would do more for Canada than the shirt, towel, shoe and rubber manufacturers. It must be an industry capable of producing aircraft for the whole world. We have all the necessary materials. We have the ingenuity and the expertise which is required. All we need is the zest for this type of thing. The transportation problems, of course, would be immense.

I wonder whether anyone has considered why we should not enter into an agreement with the United States so that transportation on the St. Lawrence canal would be almost free, as is the case in respect of the Rhine canal in Germany. If this seaway is to be subsidized, we might as well subsidize the whole cost. We could deepen the canal and employ a company from Nova Scotia, for instance, to do it. This would mean a saving in transportation costs. If we do not do this we will not be in a position to compete with Japan and Germany or, of course, with the European Economic community.

I hope I have painted a picture which, if not black, certainly is dark. I believe it is foolish to close our eyes and say we will somehow survive. I will be frank and say that what I say really does not matter. I do not think what the House says really matters, because the mood of the country now is that what the Prime Minister (Mr. Trudeau) does and says is of paramount importance. More than at any time in the history of any country in North America, this happens to be the mood of the nation. Now, the question is whether the Prime Minister will have the necessary audacity and daring. It is the daring which is needed. I refer to the daring to try a completely different way of doing things, rather than count on conventional wisdom.

I know the President of the Treasury Board (Mr. Drury) is a man of great expertise. He was a civil servant for many years before he was a member and a minister. We must never underestimate the power of the grey eminence of the government. I think the Prime Minister, however, must see that it is not advice such as that which will save Canada. There must be a completely new approach and we must have people who will take a dare and encourage new ways of doing things. If necessary we must forget a great number of what we call the sanctimonious things about compensation and so on. If we are not prepared to gird ourselves for this battle, then I think we should forget about economic nationalism completely. I think we should tie ourselves as completely as possible to the United States because it will survive, and if it survives we might survive.

• (4:40 p.m.)

If we try to be completely independent we will go down, and all we will have will be nationalism without a viable economy behind us. Hon. members should read an extremely good article on the Japanese export push which appeared in *Fortune* magazine of September and which also covers the German methods. If hon. members would read those articles and investigate the current export programs of these countries, they would find that no matter what tariffs we impose we will never be able to protect ourselves. We will sink to the lowest economic condition we have ever had unless we take the bit in our teeth, so to speak, and say that we are going to do great things and we will do them on our own. But this means courage and it means going out in different directions; the result may be either failure or success. But we have to take the risk.

Right now the people have given the Prime Minister (Mr. Trudeau) their loyalty and have said to him "we franchise you to do whatever you like. If you make a mistake, we will forgive you; but if it works out, so much the better". However, people will not tolerate a reactionary, conventional, old program which will not work. If we are not willing to follow this course then I suggest, to hon. members opposite especially, that they should tell their group to forget about anti-Americanism because the only way in which we can survive is to tie ourselves almost completely to the United States. Then, we can at least hope that together, with our energy and resources, we will be able to fight off the onslaught of the trading nations and thus will survive.

Mr. Deputy Speaker: The hon. member for York East (Mr. Otto) indicated that he would accept a question from the hon. member for Waterloo (Mr. Saltsman).

Mr. Saltsman: I wonder whether I could get a clarification from the hon. member for York East. Perhaps I might preface my question by congratulating him on a most interesting speech. I wish to ask the hon. member whether he has completely given up hope for our survival by suggesting that we tie ourselves closely with the United States in order to survive economically. Has he given up hope that we will be able to survive, even though he indicated in his speech that there were possible alternative courses we could take?

Mr. Otto: Without being partisan, and I do not think we should be, I would like to say that I trust our government will do this. But I think you will recall that around 1963 or 1964, in a speech on a fisheries bill, I raised the whole question of Russian factory ships. At that time the minister said we should really have no fear and that factory ships were never going to work out, that they were no threat. It was not until recently, after seven years, that we discovered maybe there is some threat from the Russian fishing fleet. I have letters from ministers, and from the Prime Minister, in reply to the article I sent them indicating that Canada is well on its way to a wonderful future and that really all the fears are groundless. Therefore, I have a feeling that the required courage and initiative will not be forthcoming from this government. I think we will slide along cautiously from panic position to panic position. To be realistic, I will say that our chances of surviving are much better if we tie ourselves economically to the United States.

Mr. Gordon Ritchie (Dauphin): In rising to speak on this bill, with which I am in general agreement and which is an extension of legislation already enacted, I should like to say that its main effect will be to increase the capital of the Export Development Corporation to

help Canada in its trading position. As for the details of the bill, I will await its appearance before the Standing Committee on Finance, Trade and Economic Affairs where I suppose it will receive a more thorough going over.

I should like to take this opportunity to comment on the bill and the situation in which Canada finds itself in relation to the rest of the world. In spite of the Liberal fiction that Canada is a low tariff country, in fact it is one of the highest tariff countries in the world. In spite of the "song of the shirt" which the Minister of Industry, Trade and Commerce (Mr. Pepin) sang just before Christmas, we are as adept as the next country in establishing quotas and other fine points to prevent the entry into Canada of so-called undesirable things such as shirts. While we are all for free trade, it receives little support when our producers are threatened by the entry of some products made by a far away and dimly seen individual.

Some time in the future there is to be action on the full implementation of a new textile policy. Presumably, following that action, there will be no further need for quotas and surtaxes on such things as shirts, even though the industry claims to be in the vanguard of technological progress throughout the world. There will of course be others who feel concern for the electronics, chemical, furniture and shoe industries, as well as other industries, which depend for their sustenance on the tariff structure.

This country depends on trade relatively more than any other country in the western world. The value of Canada's trade is high as a result of the export of the raw materials which the country produces. It is estimated that the export of mining products produces approximately 20 per cent of the value of the country's total exports. The mining industry, more than any other industry, will be affected by the white paper on taxation if it is put into effect. There is no doubt that it will have a detrimental effect on mining exploration and development which will only become apparent in the years to come. In the mining industry more than in any other, it is apparent that taxes are a form of expense, and as taxes rise less mining and exploration development will take place. There will be less mining of low grade ore bodies. At times, we even subsidize mining by means of the Emergency Gold Mining Assistance Act.

Another 20 per cent of our exports are in pulp and paper and wood products. This market has been greatly reduced, and the effects of the strike in British Columbia will not be manifested for some time. The United States, one of our main markets, has had considerable success in increasing the growth of timber, which has tended to reduce our exports. With regard to the agriculture industry, our large western grain industry—the only one which exports in significant amounts—has fallen on hard times. The optimistic predictions that we would export 700 million bushels of grain in the next crop year have been dampened over the Christmas holidays by indications that the U.S.S.R. has harvested a bumper crop so it will not take the balance of the 53 million bushels of wheat for which it contracted. Therefore, instead of 500 million bushels of wheat being exported this year, only 350 million or 375 million bushels will be exported.

When it is considered that of this amount almost 100 million bushels is being offered to developing countries as a means of aid through low cost loans and so on, sales that may not recur, it is obvious that our grain exports are uncertain. The rosy picture painted by the minister in charge of the Wheat Board is somewhat clouded by recent developments, and the western farmer will be in a worse cash position than he has been led to believe.

Of increasing concern to those who realize that Canada must preserve a large international trade has been the interesting development of a Canadian nationalism. This was exemplified in a statement made by the Minister of Energy, Mines and Resources (Mr. Greene) when he preached Canadian nationalism in Denver, which brought the following comment from the United States Undersecretary of State, Mr. Hollis M. Dole:

> With friends like Canada, who needs enemies . . . I am grieved by the position Canada has taken because intense nationalism such as Mr. Greene expressed can be a two way street.

• (4:50 p.m.)

Mr. Greene's conversion on the road to Denver is a reflection of an already prevailing mood. Canadian nationalism seems to be mainly centred in Toronto, and its two leading exponents are Walter Gordon and Melville Watkins. In essence it is only logical that Toronto, along with Montreal, should remain the focus of Canadian nationalism because these communities have most to gain from strong nationalism. With a strongly centralized, nationalized country, the fruits of our widespread country would be accumulated in the coffers of the companies and the citizens of those great cities.

Amongst Canadian nationalists, it seems there is a curious view as to the auto pact. The auto pact, which accounted for 25 per cent of our exports last year, has been one of the mainstays of the value of manufactured exports to this country. Recent hard bargaining over the auto pact highlights some curious views in the Canadian stand. It is generally agreed that the auto pact, as it presently stands, has been of great value to Canada, and has worked in our favour to the moment. The Canadian decision authorizing large natural gas sales, followed by the liberalization of Canadian access to U.S. oil markets, have somewhat lifted the cloud from U.S.-Canadian economic relations.

In preparing the controversial trade bill for U.S. Senate action, the powerful Senate finance committee added a provision requiring Canada to agree to meet U.S. objections to the working of the auto agreement by the end of 1972 or face the possibility of U.S. withdrawal. The United States has been increasingly dissatisfied with its balance of payments position in relation to Canada, which it feels started with the implementation of the auto pact. There is no doubt that this agreement is not entirely satisfactory to the Americans, and they have objected strenuously to the safety features built in to protect the position of the Canadian manufacturers. President Nixon has been critical of the continuing of the safeguards, saying that they were an unnecessary burden on the automotive industry and an obstacle to full realization of the agreement's objectives.

Now, Mr. Speaker, it seems to me that in the Canada-U.S. auto pact we have an example of trade of mutual importance to our two countries. Even to these nationalists, it should cause some thought. It indicates that Canada cannot live alone or be entirely unsupported by its neighbour to the south. Indeed, it might well appear that in time of international crisis the automobile facilities of Canada would be denied to the United States in pursuit of its national interests. In my opinion, those who say that there should be a total ban on the export of energy resources, such as natural gas and oil, do not realistically recognize that Canada will have to trade in the world.

I would like to point out what will be one of the most important problems facing us in the coming years. At present the way seems to be under preparation for a long trade war between the United States and the European Common Market. The Americans have been considering protection by means of the Mills bill. There have been talks on the problem of the Mills bill, and the general problem of quota restrictions on U.S. imports, as well as voluntary restrictions on the exports of supplying countries. There has been some talk that the European Common Market governments might prepare another round of discussions at Geneva on imposing reprisal restrictions on the import of American goods. In return, the United States has its worries about the Common Market.

The United States is worried that the European Common Market is organizing a free trade area, or at least a preferential trading area, stretching from Iceland to Zanzibar, and from the Arctic Circle to south of the Equator. Four new prospective Common Market members, including Great Britain, as well as other western European countries are anxiously waiting for the preferential trading arrangements that the Common Market can offer. Already in the Mediterranean area there is a preferential trading system which includes Greece, Turkey, Israel, Spain, Morocco and Tunisia, and there are widespread trade preferential arrangements in Africa with 18 countries, as well as Nigeria, Kenya, Uganda and Tanzania. So far as Washington is concerned there is a vast zone of discrimination, actual and potential, against American trade, and it seems that the Geneva experts in GATT can offer little comfort.

As well, Mr. Speaker, many big American companies have invested enormous sums in European subsidiaries, relying on the Treaty of Rome which guarantees them the same status and treatment as local companies. But these six countries now seem to be creating a new class of European company which will have privileged access to finance and official procurement orders. Access is to be limited to corporations for which the ultimate sources of decision are in the European Common Market. Although this has not been finally decided, big American corporations are angrily facing exclusion from some of the largest markets that they supply.

Then there is the agricultural policy of the European Common Market with high prices, ultra-protection, and equalizing levies. The European Common Market farmer has had eight years of subsidy market support, and assured sales without a ceiling. European farmers costs have risen with their earnings so that they cannot readily face a change in the system. They have attempted to resist market changes, and are not really as efficient as their farmer colleagues in North America and Australia.

So, Mr. Speaker, the stage seems to be set for a trade war between the European Common Market and the United States. Canada cannot hope to escape the effects of this. It would seem that this may be one of the moments in history when mankind's reactions may be favourable to mankind's future. Opportunities of this kind occurred in 1951, with the coal and Steel Community, which was the predecessor of the European Common Market, and again in 1958 when the Treaty of Rome was ratified. Britain remained aloof on both occasions, but it would seem it is now ready to join.

The twin issues that will determine the future of the western world are the political cohesion of Europe and the expansion of world trade. Opportunities now exist for both to occur, but at the moment Europe has lost its momentum toward reunification. West Germany is not an equal negotiating partner, and neither the United States nor the Soviet Union is enthusiastic about a strong European trading bloc. As a result of the Moscow-Bonn Treaty, the Soviet Union could veto certain steps towards European unity.

As I have stated previously, there are considerable political difficulties between Washington and the European Common Market over agricultural surpluses. The problems of agriculture and of non-tariff barriers, unless both are tackled together in comprehensive commercial negotiations, could reverse the trend of expanding world trade. There has been an increase in non-tariff barriers, which in many ways have become more important than tariffs. Indeed, some experts fear that the world economy may be at the start of wholesale conversion from tariff to non-tariff protection which would wipe out the trade liberalization achieved to date.

A publication on hidden barriers to international trade lists as priorities in future negotiations on the expansion of world trade the removal of quantitative restrictions, or voluntary restraints on products from Japan, as well as Japanese agricultural protection. Protection benefits certain privileged producers, but is paid for by the community at large through higher prices. Thus the twin issues of a strong united Europe and strong free trading world are closely linked.

Canada, by virtue of its great stake in the trade of the world, and the importance of trade to its own position, will have to be alert to what is happening in the world about it. I think we should have been more energetic in following closely the progress of the British entry into the European Common Market. Mr. Speaker, I have somewhat more hope than the preceding speaker that Canada will be able to preserve an independent position in the world, but we will need to use all our ingenuity to preserve that position.

Mr. G. W. Baldwin (Peace River): I think, Mr. Speaker, that it is five o'clock. If it were not five o'clock, I would have something to say, but now I am quite prepared to let the House wait until eight o'clock when I will make my comments.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Laniel): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—Health—Effect of certain brands of tooth paste on tooth enamel; the hon. member for Kootenay West (Mr. Harding)—Air Transport—Consultations with manufacturers of DC-8 on spoilers—effect of sonic boom; the hon. member for St. John's West (Mr. Carter)—Regional Economic Expansion—Argentia, Newfoundland—Report on effects of closing of United States naval station.

It being five o'clock the House will now proceed to the consideration of Private Members' business as listed on today's Order Paper, namely, Public Bills, Private Bills, Notices of Motions.

• (5:00 p.m.)

PRIVATE MEMBERS' PUBLIC BILLS

FINANCIAL ADMINISTRATION ACT

AMENDMENT TO ESTABLISH OFFICE OF PARLIAMENTARY COMMISSIONER FOR ADMINISTRATION

Mr. R. N. Thompson (Red Deer) moved that Bill C-23, to amend the Financial Administration Act (Parliamentary Commissioner for Administration), be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, it has been my privilege to bring this bill to the attention of hon. members on two previous occasions during the last 12 months. In fact, it was before the House for debate on January 13 and October 6 last year and again today.

Hon. members may wonder why I feel so strongly about the need for such an office in the House of Commons. It is not a new idea. I have had the privilege of presenting this private bill in the House in one form or another at least 15 times in the last eight years. This bill is concerned with the establishment of the office of what is commonly known as an ombudsman. This bill would name this special office the Parliamentary Commissioner for Administration.

Increasingly, Mr. Speaker, the rights of Canadian citizens are being transgressed. This is basically because of increasing domination of government and governmental affairs on the rights of individual citizens. I am convinced of this, not only because of the correspondence that crosses my desk, but also because of the numerous articles in the press and the numerous comments by members in this chamber and in the provincial legislatures. This has resulted in action by most legislatures in establishing the office of ombudsman. It is necessary that we

have this office at the federal level to safeguard the rights of Canadian citizens.

This legislation would add this office to the present duties of the office of the Auditor General. His duties would include those of a parliamentary commissioner or ombudsman relating to administrative matters concerning the federal level of government. It is logical that the Auditor General have such authority. He has stated this to the committee on several occasions, particularly in 1964 when a bill to establish a formal ombudsman was being considered by the Standing Committee on Justice and Legal Affairs. When he appeared before the Standing Committee, he stated that he has been called upon to serve in the capacity of ombudsman as it relates to financial matters, taxation problems and other areas where governmental bureaucracy increasingly comes into play in the lives of Canadian citizens.

I think it is very logical that this bill should be considered. I plead with hon. members at this time to agree to refer this bill to the Standing Committee on Justice and Legal Affairs so that a more thorough examination of the proposition which this bill presents might be considered by this committee. The Auditor General would have the opportunity to explain to the committee the need for such a bill. Members of the committee, and of this House, would have the opportunity to express their opinion on the need for such an office. I wish to draw to the attention of hon. members a few of the principles of the bill.

The bill is intended to give to the Auditor General the function of parliamentary commissioner. In that capacity, it would be his duty to investigate the administration, by a power or authority or officer of such power or authority, of any federal law of Canada whereby any person is aggrieved or, in the opinion of the commissioner, may be aggrieved.

Citizens who believe that they have been aggrieved could appeal directly through their Member of Parliament or they could make direct appeal to the Auditor General acting in his capacity of parliamentary commissioner. It would be the duty and function of each Member of Parliament to decide whether a complaint should be considered for direct reference to the commissioner.

It has been said that we, 264 Members of Parliament, are in effect ombudsmen. I agree with that. However, our powers are limited. We do not have the power of inquiry. Nor do we have the necessary assistance in the area of research to properly handle and investigate many of the problems that come before us. I, personally, know this is the case. When this bill was before the House in October, I mentioned a number of specific cases where it was impossible for me, as a Member of Parliament, to get satisfactory answers to complaints registered with me by certain constituents. I know that all hon. members face this problem.

It is all right to say that we act in the capacity of ombudsman. Very often we are able to render that service. It is our responsibility. On the other hand, there are many instances where we cannot handle the situation because we do not have the authority or because we do not have the necessary time or assistance to make a

proper investigation. The fact that a Member of Parliament would make the referral to the commissioner in his office of Auditor General would safeguard this office from being flooded with complaints of a nuisance character. I do not believe this would curtail the duties of the Auditor General in any way. I think it would enhance his duties. I believe that the Auditor General is one of the most important officers of this House.

Some hon. Members: Hear, Hear!

Mr. Thompson: In recent months we have seen the government attempt to curtail the powers of the Auditor General. As far as governments are concerned, the Auditor General has been embarrassing on a number of occasions. This does not only apply to this or the previous government, but to all governments since that office was established. That should be in itself evidence that such an office is necessary.

It is imperative that we have a watchdog over the expenditure of tax dollars collected from the citizens of Canada. By withdrawing the legislation that would have curtailed the powers of the Auditor General, the government recognized this fact. Tremendous pressure was brought to bear on the government, not just by members of opposition parties, but by members of the government, the public and every newspaper in this country that I have had occasion to see. It is generally recognized that the office of Auditor General is vitally important. I regret that at one time the government thought it was necessary to take this action, and I regret also that his position is still not clear with regard to hiring a staff which is essential for carrying on his work. I believe this additional duty would enhance his position, strengthen his authority and help him to act not only as a watchdog of government expenditure but as the guardian of the rights of individuals as they relate to administrative errors which interfere with the normal rights belonging to Canadian citizens.

• (5:10 p.m.)

The least this House could do would be to allow this bill to pass to the Committee on Justice and Legal Affairs where a study could be made of the situation in depth. The majority of hon. members with whom I speak feel as I do about this issue. They agree that it is necessary that we have the support of such an officer. The services which we ourselves attempt to render to those we represent would, in such a case, probably be more effective then they are now. In other words, the Auditor General acting as a parliamentary commissioner for administrative matters, basically financial matters, would be concerned about the rights of private citizens as they relate to grievances arising from administrative error or interference with a citizen's normal affairs.

I believe it is our responsibility to ask the Committee on Justice and Legal Affairs to consider this subject in depth and to let the Auditor General himself speak on it. Too often this issue has been passed over. On two different occasions, the prime minister of the day made a commitment to the House of Commons and to the people of Canada in Speeches from the Throne, that the office of ombudsman would be established. The present Prime Minister (Mr. Trudeau) has expressed the opinion that the Minister of Justice could act as ombudsman. In my opinion, he cannot do this; the very nature of his office prevents his doing so. It is true he might handle a few major cases, but it is the minor cases, those about which the general public never hears, that are my major concern as I present this bill.

It is not enough to say we do not need such an officer. I realize that senior officers in the public service resent the making of such an appointment because they feel there would be someone looking over their shoulders in case they made mistakes.

An hon. Member: There should be.

Mr. Thompson: There should be. There are others who feel there is no need for an appointment of this nature because the courts are available to redress the grievances of Canadian citizens. The courts do serve an important role, but any one of us here who has anything to do with the problems of constituents knows it is impossible for the courts to take action in most of these cases.

The holder of the office I propose will be a protector of civil liberties. This idea has worked effectively at the federal level in a number of states. It is working effectively now in five of our own provinces. The bill before the House does not call for the establishment of a general ombudsman over the entire field, it confines the office to the area where most grievances arise, namely, in connection with administrative measures by the federal government itself. Again, I ask that the House give favourable consideration to this measure and refer it to the Committee on Justice and Legal Affairs.

Mr. Alastair Gillespie (Parliamentary Secretary to the President of the Treasury Board): Mr. Speaker, all members of the House will agree, I think, that the hon. member for Red Deer (Mr. Thompson) is a persistent man and a man who holds the cause of justice high.

Some hon. Members: Hear, hear!

Mr. Gillespie: As he himself told us, this is perhaps the eighth occasion on which he has sought to introduce this bill or a bill similar to it. On other occasions, as he also mentioned, he has sought to introduce a companion piece or an alternative piece serving very much the same purpose as the bill we are discussing this afternoon.

In the debate which took place on October 6 of last year, he stated:

> It has been my privilege to bring before this House the need for an ombudsman, a parliamentary commissioner, a man who would be concerned with the rights of the private citizen particularly as they relate to the growing power and ever-increasing dominance of the public service in the normal life and living of the individual Canadian.

It is a truism to say that government is getting bigger, and as government gets bigger there is a tendency for the individual to shrink, a feeling, which we have all experienced, of a difficulty in getting at the source of power. To this extent we can identify with the purpose

of the hon. member's bill. But there are some questions I should like to raise with respect to the provisions of the bill and, indeed, with respect to the concept of an ombudsman. The hon. member says that what we need is a mechanism whereby a citizen who feels he has suffered a personal injustice at the hands of the administrative bureaucracy may have his case considered. The hon. member referred this afternoon to the rights of the individual and to the need for ways in which he can find redress against administrative error or interference.

Before considering in detail the case he has placed before us, let us examine briefly the means which are immediately available for such redress. There are several. He himself put first, the Member of Parliament. I think we would all agree with this order of priority. I suggest there is another, namely, the collectivity of Members of Parliament—the House of Commons. The question period does provide an opportunity for members of opposition parties or, indeed, for any hon. member to call attention to injustice and to seek a remedy. Initiatives have been taken by this government and by other governments and some of these will be dealt with this afternoon by my colleague, the Parliamentary Secretary to the Minister of Justice (Mr. Béchard).

In his remarks today and on an earlier occasion the hon. member indicated his view that an ombudsman and, in particular, an ombudsman in the person of the Auditor General, would make civil servants more careful. I believe those are his words, and they can be found on page 8828 of *Hansard*. Surely, though, there are other ways of creating a sense of care in our public servants. Surely, we do not need an ombudsman to create this sense of responsibility. As the hon. member himself said, we are primarily concerned with administrative error. I do not think he made a case for showing that an ombudsman is going to make civil servants any more careful than they otherwise would be.

• (5:20 p.m.)

Secondly, the hon. member said that we do not have the power of inquiry. In his previous speech he referred to this question as well. He linked this, in effect, with saying that we do not have facilities for research and investigation such as the Auditor General has. I would agree with him that we do not have these facilities. I also think that he would agree with me that we need to improve the facilities of Members of Parliament, and I hope to have something more to say about this. However, we do have a very significant power when we talk about inquiries because we can initiate inquiries, though we ourselves cannot undertake inquiries. Therefore, I will agree in part with him when he says we do not have the power of inquiry, though as I say we do have the power to initiate inquiries.

Thirdly, he made the case that the Auditor General, in the role of ombudsman, would strengthen the confidence of the public in matters of public administration. I do not think that he has substantiated this point; in fact I am not at all sure it can be made. Certainly, it cannot if we examine the proposed bill before us. As I shall attempt to argue, the proposed bill would definitely lead eventually to a lack of confidence on the part of the public in the very agency of Parliament that we all want to protect, namely the office of the Auditor General.

Before dealing with that in detail, let me ask these questions. Do we in fact need an ombudsman for Canada? We are aware that there are four provinces in Canada with ombudsmen, Alberta, Manitoba, Quebec and New Brunswick. Some Scandinavian countries have had an ombudsman for some years; more recently other countries have been experimenting with the idea.

In the last debate the present Minister of National Defence (Mr. Macdonald) raised a number of questions in his remarks. He referred to his experience as President of the Privy Council and his particular duties in that area. He pointed out that most of the successful experiments with an ombudsman have been in fairly limited jurisdictions with small populations. He acknowledged that in West Germany, a very much larger country in terms of population, there is an ombudsman who relates his activities, as I understand it, entirely to military questions, complaints arising from the military apparatus and not from the civil apparatus.

He also argued that in other instances an ombudsman has worked well, such as in a country with a fairly homogeneous society; that is to say, a society that might perhaps be described as a unitary state. I do not mean to imply that the U.K. is necessarily homogeneous in every sense of the word, but in a unitary state there is a direct relationship between the citizen, Parliament and the ultimate authority. I think I would have to say that a federal state, particularly one as far flung as ours, would not be homogeneous in the same sense as the United Kingdom. Surely, distance and accessibility are important when it comes to the individual being able to appeal to his ombudsman.

I believe there have been references in the past to an ombudsman working well in universities. Here again, I think we are looking at quite a different kind of situation. Obviously, there is no Member of Parliament, or representative in the sense of a Member of Parliament, in the university constituencies. I think one could see the idea of accessibility and the relationship of a citizen to one man very much more clearly.

These thoughts surely lead one to believe that if we are going to ignore the problem of distance and the question of numbers, the only way we could deal with the matter would be to have what might be described as a panel of ombudsmen, not one ombudsman. However, this evening we are being asked to consider one ombudsman, the Auditor General, and I would say there are real weaknesses in such a proposal, real questions about whether one ombudsman could serve our country.

Another weakness I should like to outline this evening relates to the independence of the office of the Auditor General. The bill before us, Bill C-23, proposes a new section 75A for the Financial Administration Act. This section has three sub-sections setting out the general procedure whereby a real grievance could be brought to

the attention of the Auditor General. I should like to refer in particular to sub-section (1) which provides:

It shall be the function of the Auditor General to act as Parliamentary Commissioner for Administration (hereinafter called the Commissioner) and in that capacity, it shall be his duty to investigate the administration, by a power or authority or officer of such power or authority, of any law of Canada whereby any person is aggrieved or, in the opinion of the Commissioner, may be aggrieved.

The wording of this subsection suggests that the powers of the Auditor General would extend to all laws of Canada, and presumably would include municipal bylaws as well as federal enactments.

Mr. Thompson: Federal laws only.

Mr. Gillespie: I appreciate the clarification. The hon. member has clarified the record by saying it refers only to federal laws, and presumably the wording could be changed to reflect that position. Subsection (2) provides:

The Commissioner shall act only at the instance of a member of the House of Commons, as the elective representative body in Parliament, and on a complaint of personal injustice suffered by a complainant.

I think the hon. member made a considerable point of this in his remarks this evening in that he said it was important to maintain the parliamentary process and the position of M.P.'s in that process. He went on to say that, by providing that such grievances must first be processed through a Member of Parliament, this would prevent a great flood of grievances going forward to the Auditor General. Presumably he was suggesting that through this mechanism Members of Parliament would screen grievances received from their constituents. Presumably he was implying that a Member of Parliament would make a preliminary investigation in respect of the grievance of his constituent and then would make a judgment.

• (5:30 p.m.)

I suggest to him that in fact, as he pointed out, Members of Parliament have limited time to make investigations of this kind and that it would become an automatic procedure. A grievance would be received by a Member of Parliament and would automatically go forward with his endorsement to the Auditor General. I cannot see that there would be any screening or any control point by providing that grievances be funnelled through Members of Parliament.

The bill provides as follows in proposed section 75A (3):

It shall be the duty and function of each Member of Parliament to decide whether the complaint appears to be one appropriate for reference to the commissioner.

I am assuming this would be an individual judgment, not a collective one of the House of Commons. We get into difficulty in the next proposed section where it refers to the powers that would be accorded to the Auditor General to refuse to investigate grievances which have been submitted to him by a Member of Parliament. The provision is as follows:

The commissioner, in his discretion, may refuse to investigate or may cease to investigate a grievance if

(a) a remedy already exists;

(b) it is trivial, frivolous or vexatious; or

(c) upon a balance of convenience between the private interest of the person aggrieved and the public interest, the commissioner is of the opinion the grievance should not be investigated.

I suggest that this is precisely the kind of situation which would destroy the credibility of the office of Auditor General and it would perhaps ensure the discredit of his objectivity, impartiality and concern with seeking out facts because it would place him smack bang into the area of political judgment. I agree with the hon. member that it would be important under the plan he has put forward to provide a method whereby the Auditor General could refuse or reject a request to investigate. When he is put in the position of being asked to express an opinion or make a judgment as between the interest of the private individual and the public interest, surely he is being forced right into the political arena by being asked to make a political judgment rather than a statement of fact.

There is one other area in respect of which I would argue that the office of the Auditor General would be seriously affected by this bill. There is no provision for additional staff, perhaps quite rightly because it is a private bill. To suggest that the Auditor General could take on these duties and provide for investigation in addition to the whole spectrum of his present duties is surely to suggest the impossible, unless you are also prepared to accept the idea that he would be less effective in doing what Parliament has already charged him to do. Surely this is an intolerable suggestion to be made in this House.

I suggest there is one other reflection on the office of the Auditor General which should be put straight. The hon. member in his remarks hinted that efforts might have been made to curtail the powers of the Auditor General. In fact, I think he suggested there was evidence that the government wished to curtail the powers of the Auditor General. I think this is specious and false, and the hon. member has been misinformed or is unaware—

The Acting Speaker (Mr. Laniel): Order, please. I regret to interrupt the hon. member, but his allotted time has expired.

Mr. Thompson: Mr. Speaker, may I ask the hon. member a question?

The Acting Speaker (Mr. Laniel): This can only be done with unanimous consent of the House, in view of the fact that the hon. member's time has expired. Does the House agree to allow the hon. member for Red Deer (Mr. Thompson) to ask a question of the Parliamentary Secretary?

Some hon. Members: Agreed.

Mr. Thompson: The hon. member for Etobicoke (Mr. Gillespie) has agreed in most instances with the principles of this bill. He differs only in respect of the ways in which the duties should be carried out. Would he give his consent to the bill and pass the word along to other

members of his party who may wish to speak on the bill to allow it to go to the Committee on Justice and Legal Affairs, where his arguments and my arguments could be considered in greater depth along with the principles of the bill?

Mr. Gillespie: Mr. Speaker, I have tried to indicate in my remarks that while I support the thought that inspired the bill, I do not think the hon. member has made a case for an ombudsman. I do not think he has even made a case—assuming that such an office may be desirable—that the Auditor General might act as ombudsman for Canada. For those reasons I am not in a position to advise my colleagues that we should refer this matter to the committee.

I think it is most important that we make every effort to support the effectiveness of Members of Parliament and I very much hope that the recommendation of the Beaupré commission in this regard will find support on all sides of the House, because the more effective a Member of Parliament, the less need there will be for an ombudsman in Canada.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, when I came into the House at about five o'clock I did not anticipate taking part in this debate; therefore, I am not prepared with any very learned material on this motion. I want once again to reiterate my support, and I think the support of all members of my party, for the general principles of this bill and its reference to the Justice and Legal Affairs Committee.

At the same time, I cannot refrain from expressing my disappointment at the essentially negative attitude of the Parliamentary Secretary. He expressed extremely well some objections to the bill as drafted. I think he failed altogether to deal with the basic issue of whether we should have an ombudsman. In my view, notwithstanding all the functions that can be performed by a Member of Parliament, notwithstanding the function of Parliament itself, what can be done by the department and by the courts, there remains vast proliferation of administrative law in respect of which an ombudsman could properly function.

I share to some extent the Parliamentary Secretary's doubt as to whether this function could best be performed by the Auditor General. My personal view is that it would be better performed by another officer. I do not think the essentially judicial function is quite the same as the financial administrative function of the Auditor General. However, I understand, because on a number of occasions I have heard the hon. member for Red Deer (Mr. Thompson) put this matter forward, that he is adopting this expedient, as a private member of the House, of introducing a principle that does not involve setting up new machinery in order to comply with the rules of the House.

• (5:40 p.m.)

If this matter were referred to the Committee on Justice and Legal Affairs, the committee could investigate the need for an ombudsman and whether the Auditor General is the officer most fitted to perform that duty. I think a very valuable function could be performed because as is acknowledged on all hands, this instrumentality has worked. It is not novel. It has worked for many years in the Scandinavian countries. My friend the hon. member for Etobicoke (Mr. Gillespie) said they are homogeneous. That is a pretty weak argument.

I do not think any lack of homogeneity in our population is a reason that this proposal should not operate. It has worked in countries like New Zealand where it has been tried. It has been tried in our provinces which are not wholly homogeneous, where there are mixed populations. Some of the matters which would be investigated by an ombudsman would turn out to be of little substance, but in some cases the ombudsman would be able to right injustices which could not be righted in any other way.

I agree with the proposition that some of the important functions of an ombudsman should be carried out by the members of this House. I hope the Beaupré commission report will be adopted in this respect at least, because it suggests that members of this House should have offices of their own and a staff to enable them to receive the grievances of constituents. I support this proposal; I think it would make our work more effective. But I do not see anything inconsistent in that and the proposal for an ombudsman. In fact, the situation would appear to be quite the reverse. The more complaints of maladministration or administrative injustices which are brought to members' attention through the efficient conduct of their business, the more members will need an ombudsman to deal with matters beyond their responsibility so that complaints may be investigated by an impartial and judicial official rather than by one who is perhaps a partisan Member of Parliament. I say both are necessary.

The Minister of Justice (Mr. Turner) has, quite rightly, taken considerable pride in saying that the new federal court will be given wide judicial responsibility to review administrative federal tribunals. This is claimed, justly, in my opinion, by the Minister of Justice to be one of the major contributions of the new federal court. This is excellent. I agree with it. But we need all the instrumentalities at our command and not just some of them. We need an enhanced federal court with wide jurisdiction. We need more efficient and effective Members of Parliament who are provided with the facilities to better carry out their function. We need an ombudsman, whether that office be part of the function of the Auditor General or someone else.

I do not complain about the civil service or bureaucracy of Canada because by and large I believe it does a good job. But inevitably in the complexity and multiplicity of its function, things are done which diminish the rights of ordinary citizens. We need all the available instruments with which to fight injustice. It is for this reason we support this resolution. We believe it would be extremely useful if this whole matter were investigated by the Committee on Justice and Legal Affairs. I am not sure whether the Parliamentary Secretary was expressing his own conviction when he said what he did, but we regret the negative attitude expressed today and over the years

with regard to the importance of appointing an ombudsman.

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, the bill introduced by the hon. member for Red Deer (Mr. Thompson) is the last-born child of a generation that began in 1962 with the coming to the House of the hon. member, according to his own words as reported in *Hansard* on January 13, 1970, and I quote:

Mr. Speaker, Bill C-13—

—the bill was given that number at that time—

—is one that I have had the privilege of presenting to the House for the last seven years.

The bill later became Bill C-40, was debated in the House on October 6, 1970, as the hon. member has just said. Such steadfastness on his part shows how important the matter is to him. He is to be commended for it as the subject is an important one. All hon. members recognize the need for it. A protector of that kind in a modern state such as ours, considering the numerous departments, services, agencies, commissions, etc., seems indispensable off-hand.

There is no question I must say, of agreeing to the proposal of entrusting this new responsibility of ombudsman to the Auditor General. The Auditor General's field is different altogether and it would be unfair to give him such a responsibility.

But while the proposal made by the hon. member for Red Deer implies a force of necessity reality and advisability is it really the solution we are looking for to assist all Canadians whose rights are encroached upon by the heavier and more and more complex administrative mechanism of the federal public administration?

I, for one, am not convinced. We know that the hon. member for Red Deer wants more attention, more justice for citizens who feel wronged in their relations with the federal public administration. According to the evidence itself of prominent figures endowed with such authority in certain Canadian provinces the commissioner for administration, or ombudsman, must necessarily, in order to obtain actual results, be able to personally discharge his responsibilities and be supported by a rather limited personnel.

How can one imagine such responsibilities being discharged by an eventual parliamentary commissioner in Canada, which is such a big country, if that commissioner cannot personally do his work, if he has to rely on the services of many minor civil servants to help him directly?

Another bureaucracy would have been created which would make even more difficult efficient relations between the citizens and the state.

Moreover, what will happen if, owing to the very wide authority provided for the ombudsman, the nature of his office and the fact that his decision is final, a citizen, for instance, or a civil servant, is again wronged in his rights by a decision of the commissioner? Such injustice would be irreparable for all practical purposes.

Mr. Speaker, one must remember the objections raised by opposition members—among whom the hon. member for Red Deer—at the time the bill setting up the office of the commissioner for languages was before the House, at what was considered to be a scandal, namely the fact that no appeal was possible. Yet, the commissioner for languages holds no legal office, under the legislation creating his office, which has been corroborated during the very interesting CBC program on which he appeared quite recently.

• (5:50 p.m.)

In fact, the language commissioner does no more than bring complaints lodged with him to the attention of departments involved, of the public and of Parliament.

In the last few years, the Department of Justice, through the minister, has endeavoured to render the administration of justice more flexible, more simple, more efficient and more equitable for our citizens and it is no exaggeration to say that the present Minister of Justice (Mr. Turner), as his predecessor did, has done more than anybody to reform the administration of justice, without however minimizing the work accomplished until then.

As the hon. member for Greenwood (Mr. Brewin) said earlier, major pieces of legislation have been adopted in recent years. The Federal Court has been established at the beginning of this session. This week, I believe, the minister will move first reading of a bill on bail. It will be followed by a bill on statutory instruments and other measures enabling the public to examine not only the powers the government has to make regulations but also to investigate such regulations.

Besides, if the Canadian government proceeds with a constant review of the Canadian legislations, its through the legal help proposed by the Department of Justice, that is to make more accessible to all Canadian citizens, whatever their class or their means, the services of lawyers who will represent them when in need, in short, if the Department of Justice pursues the regular progression of the reforms undertaken, this with the co-operation of all the parties in the House and of all hon. members, since they are, on the whole, parliamentary commissioners or ombudsmen, we will have greatly contributed to making more accessible and more efficient the administration of justice, and in an equitable fashion suited to the modern evolution of our Canadian society.

The goal sought by my hon. colleague from Red Deer will then have been reached without the Auditor General, for that, having been burdened with exacting responsibilities he can easily do without and, above all, without the Canadian citizens being burdened with additional bureaucracy which he is less and less inclined to put up with.

[*English*]

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, in a way I welcome the opportunity to participate in this kind of debate, but unhappily the subject is so controversial

and interesting that many of my colleagues have participated and have left me very little time in which to make my comments. Because time may cut me off, and so there is no equivocation about my position on this bill, let me say that I propose to vote against it.

I compliment the hon. member for his perseverance in bringing this bill before the House because I think it is the kind of legislation with which we should be dealing. However, I would have been happier had it come forward in the form of a motion setting forth the ideas that the hon. member wishes to promote. In that way, rather than referring the bill to the Standing Committee on Justice and Legal Affairs, in effect we would be discussing a notice of motion and making recommendations to the government for its consideration.

Like the hon. member, I feel that there is a role for the ombudsman to play federally. I agree with some of the points made by the hon. member for Greenwood (Mr. Brewin), who said there may be a gap in the federal area where the rights of individual citizens are not adequately protected. Surely somewhere in that vague area there is a role for an ombudsman to play.

It may be that too much time has been spent in this bill in trying to determine who should fulfill the role of ombudsman. This is where I take exception to the hon. member's suggestion that this function should be performed by the Auditor General. I note that the hon. member was able to bootleg some uncharitable comments about the government's position in dealing with the Auditor General. May I say for the record that I am in favour of a fully independent Auditor General operating in his present unimpeded fashion.

I think the legislation before us could have accomplished the same aim with very minor changes. I was unhappy that the bill respecting the Auditor General was removed, but there seemed to be good reason for doing so. I hope that the bill is only dormant and is not deceased. Because I am for a fully independent Auditor General, I wonder, as did the Parliamentary Secretary, if we would not be dragging him into the field of politics and into an area where he should not be and where he will lose his independence.

I am concerned, as was the Parliamentary Secretary, that we may be diffusing the obligations we have to our constituents as Members of Parliament. I am satisfied that Members of Parliament who represent every portion of this great country are in a much better position to act in the capacity of ombudsmen and to fill the kind of gap which the hon. member for Greenwood and myself perceive. But with our present facilities it is impossible to do this. We do not have sufficient staff, we do not have adequate office space and we do not have sufficient contact with our ridings. Unhappily, sessions now last from nine to ten months, depending on the legislation that must be passed, and for that reason we cannot get back to our constituents as often as many of us would wish.

While the House is in session we often have to visit our constituencies on weekends only and that is the only time we can meet our constituents. I think that sessions should be divided into three or four sections so we would have three or four months in which to perform the kind of service that an ombudsman would perform. I do not like the idea of a Member of Parliament hearing a complaint from a constituent and having to determine whether it is the kind of question he can handle or whether it should be referred to an ombudsman. We would then have to determine what kind of matter the ombudsman could handle.

The pressure would then be on the ombudsman who would be overloaded and asking for more staff because he would constantly be asked by 265 Members of Parliament what he had done about their particular case. I see it as a weakness if a Member of Parliament has to determine whether a person has a grievance that should be brought to the attention of the ombudsman, as suggested in this bill. To quote Mr. Churchill, "Give us the tools and we will finish the job". I think we could do the job better than most, and certainly better than a paid civil servant operating with a fancy title such as suggested in this bill.

There is a place for an ombudsman but that place can be adequately filled by Members of Parliament. It is being done today by good, conscientious, hard working members of this House, but we could do a better job and I hope we will be given an opportunity to do it. This would be better than setting up another bureaucracy which would only increase red tape.

The Acting Speaker (Mr. Laniel): The hour reserved for the consideration of private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

EXPORT DEVELOPMENT ACT

AMENDMENTS RESPECTING AUTHORIZED CAPITAL BORROWING, LIABILITY UNDER CONTRACTS OF INSURANCE

The House resumed consideration of the motion of Mr. MacEachen (for the Minister of Industry, Trade and Commerce) that Bill C-184, to amend the Export Development Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I shall say just a few words, in line with the usual modest and moderate contributions that I make from my place in this House, with regard to this bill. In the first place, I do not think the bill is as simple as has been suggested. I think there are some pretty substantial proposals contained in it. I shall not deal with all the proposals, because I am not allowed to do so, but the change in the amount of money involved and the total

guarantee which will be available are very substantial. The Parliamentary Secretary has referred to this point and so have hon. members in our party and in the New Democratic Party.

The changes with regard to section 29 of the act, and the rights which would empower the corporation to participate in joint financing arrangements with a third party without obtaining the approval of the Minister of Finance, are novel and constitute a departure from the original legislation. There are some interesting provisions in clause 7 of the bill on which I will question the Parliamentary Secretary later. In clause 8 there is provision that a contract may be authorized without requiring the government of the country in which an investment is made to give a written assurance. All these proposals constitute a departure from the provisions of the original legislation. The amount of money involved is of such magnitude as to indicate that this is not a completely different bill but certainly a bill of a different kind.

I think it is of interest to look at the history of the bill. For 25 years we had the Export Credits Insurance Act. I think that all governments which were operating while it was in effect did a pretty good job. The hon. member for Prince Edward-Hastings (Mr. Hees) is not here, and I know that with his usual modesty he probably would not want to be here while I was saying some nice things about him. As Minister of Trade and Commerce in the administration of the right hon. member for Prince Albert (Mr. Diefenbaker), he was responsible for inaugurating a speed-up and improving and enlarging the administration of the act. He did a good job of selling the products of this country, with his ability to be exceedingly persuasive, to hear the right things and sometimes not to hear and see the things he did not want to hear and see. He has demonstrated this ability when asking questions in the House, when his right eye and ear are not as attuned to the Chair as the Chair might wish. He did a tremendous job in promoting the exports of this country.

In 1969, after 25 years, the present government brought down new legislation. That legislation received royal assent on June 27, 1969, and was proclaimed on October 1 of that year. A year later, when the present session opened, the changes in the bill with which we are now dealing were referred to in the Speech from the Throne and contained in its list of legislative proposals. In other words, almost a year to the day from the time the original bill was proclaimed, very substantial amendments are put forward.

• (8:10 p.m.)

This new bill was obviously ready in October, 1970, Mr. Speaker. It was sent to the other place rather than here. This indicates that the bill had been drafted for some time. It will be perfectly clear to anyone who examines the bill that the changes with which we are now dealing must have been contemplated and brought to the attention of the government within a few months of the other bill being passed. I think this is very significant. This government has received great credit for reorganizing the cabinet system. The Prime Minister (Mr. Trudeau) is called the great administrator because he organized the cabinet committee structure. He has stated that everything will now go smoothly, efficiently and without delay. On the contrary, with this bill we see a situation which I have pointed out many times. I am not referring to this bill in particular, but often badly prepared bills are presented to this House. They do not take into account their impact on the public which they are designed to assist. Bills are introduced which are hastily conceived and not ready to be presented to the House. What more proof do we need than this measure? These substantial changes must have been contemplated within six or eight months of the original bill being proclaimed. In other words, the original bill was imperfect.

I know it is the fashion for a great many of the intellectual, pompous and pontifical commentators who unofficially belong to the volunteer part of the Liberal propaganda machine to heap great praise upon this government, its efficiency and the way it operates. They swoon when the right hon. gentleman who occupies the position of Prime Minister is within their range. What absolute drivel!

Some hon. Members: Hear, hear!

Mr. Baldwin: We were involved in a very interesting situation yesterday and again today. Members of this party and of the New Democratic Party made suggestions with regard to the very important legislation which the Minister of Consumer and Corporate Affairs (Mr. Basford) introduced in this House. The minister must have had some doubts about this legislation. He indicated that in his view the legislation should be sent to a committee and that the committee should have absolute freedom to interview witnesses. However, it was necessary to take drastic action in this House in order to bring about that to which we are entitled. This bill is an indication of the wisdom of that course. There is no suggestion that this government, its ministers and their advisers have the monopoly on wisdom, good sense and economic provision.

Mr. Basford: That is why we straightened out the committee system.

Mr. Baldwin: I want to make that quite clear, because a number of bills introduced in this House are not original in nature; they are amending legislation. My recollection is that 50 per cent to 70 per cent of the legislative list attached to the Speech from the Throne consists of amending bills, many of them amendments to acts passed by this government. It is very essential that all legislation be thoroughly examined by unbiased, independent committees with the assistance of necessary witness. There have been instances when the committee has made a thorough examination and it has not been necessary to waste our time in considering a matter and sending it back to the same committee.

I do not know the views of the Parliamentary Secretary in this instance. I hope when he replies he will indicate, if he has authority on behalf of the government, that if it is the view of the committee he and the minister will agree that this is an important bill involving

changes of some magnitude. If members of export associations and others want to appear before the committee and express their views, I hope the government will welcome them. A declaration of this kind by cabinet members would alleviate the very serious situation which has developed as a result of the peculiar operations of certain people in positions of responsibility.

What about the bill generally? We have had a good debate on it. Exports are of the greatest importance to this country. In view of what has been said by members on both sides of the chamber, I think we are aware of the risks and dangers which we face. Anyone who reads, watches, listens and learns will reach the conclusion that the likelihood of the United Kingdom entering the Common Market is very much greater than it was a year ago. The Prime Minister of that country was the principal negotiator in the previous Conservative administration. I understand that he has very definite views about the conditions involving entry of the United Kingdom into the Common Market. Negotiations have now progressed to the stage where the likelihood of entry appears very great. There is a very strong probability that the financial differences, differences involving agricultural produce and other difficulties with relation to the Common Market will be resolved. Within a year or 18 months Britain may become a member of the Europe—an Economic Community.

We must also look at the situation in the United States. While it is true that the trade restriction bill which went before Congress last year did not pass before Congress closed, this was only because the bill had been tacked on to other legislation which was opposed by members of the Senate. The bill died at the conclusion of the congressional proceedings at the beginning of this month. However, we must remember that it was an administration bill. It was introduced by the government. The bill was apparently proposed by the President because of political obligations which he incurred during the course of the election. There is no doubt that the United States administration, which is receiving increased support in Congress, the House of Representatives and other parts of the United States, tends toward a greater degree of protectionism. We have to live with this. I do not decry the job that our negotiators did during the Kennedy Round talks. They benefited this country. However, they did so on instructions of the government.

If the negotiators had had their own way, they might have been willing to to be more flexible in horse trading. In the result, it seems we have had a free ride for quite a long time. We obtained benefits from the Kennedy round talks for a number of reasons. I will not go into them now. I do not think those reasons exist any longer. We may find that we are left in a hard-hearted world as far as international trade is concerned. I think we will find that the ease with which we have been able to extend our economic operations and external trade in the past has vanished. Some benefits arose from our very large sales of agricultural products, natural gas and petroleum. The United States-Canada automotive trade pact is very definitely being threatened in the United States.

• (8:20 p.m.)

Our opportunity to continue our trading operations, to expand them or even to hold them at the present level will depend on a number of factors including legislation of the kind before us. We do not have the benefit of an economy of scale in our own country. We have to rely on an economy of expertise, on an economy of automation. The well known French writer and political expert, Servan-Schreiber, in his book "American Challenge" referred to this. I do not agree with everything he says in his book, but every Canadian could read it with profit. There are difficulties envisaged there.

There was a debate here today between the hon. member for York East (Mr. Otto) and some of the members of the New Democratic Party about American ownership and Canadian nationalism. In my view, this is a debate which is not of great profit to the House or to the country. No doubt there are problems, but I thoroughly disapprove of any shrill, strident anti-Americanism. Equally, it is of no use trying to minimize the difficulties which face us in connection with the great multinational corporations which we have.

While the subject is only incidental to the bill before us, I should like to draw attention to the usefulness of the approach made under the administration of my right hon. friend from Prince Albert who instituted, in conjunction with the late President Eisenhower, a study of this question on an international basis. This is not a situation which affects Canada or the United States alone; it is an international situation and we should look at it in this light rather than conduct sterile debates on a topic which I fear may become a political issue in the next federal election. Now is the time to launch, at the instigation of Canada, an international campaign to hold meetings and discussions on an international level.

That is all I wish to say generally. I am sure the bill will receive study in committee. I think it can be improved, but I shall not specify the improvements now. That is a matter to be considered later by the committee. I would, however, ask the Parliamentary Secretary to comment on one point which has puzzled me. I shall not debate the basis of the change, but clause 7 of the bill would make certain changes with regard to the nature of an instrument which can be regulated and dealt with by the corporation in the course of its financial operations. The original wording provided that negotiable instruments could be dealt with under clause 33 of the original bill, but the word "negotiable" has been removed and in its place we find the word "instrument" alone. "Instrument" as defined in the original bill means something far different from "negotiable instrument," as all of us with knowledge of the law or knowledge of business practice appreciate. I would ask the Parliamentary Secretary when he closes the debate to tell us precisely the reason for the inclusion of clause 7. Is it intended to minimize the type of security to be dealt with in the manner set out in clause 33 of the original bill, or is it merely for the sake of bringing about certain changes in terminology?

Mr. Deputy Speaker: Order. If the Parliamentary Secretary speaks again it will have to be by unanimous consent of the House. Is there such unanimous consent?

Some hon. Members: Agreed.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, there have been many and varied contributions to the debate today. I regret that many of the comments which have been made, however valuable, have not pertained specifically to the bill before us. Nevertheless, I regard them with great interest. They have been concerned with the general subject of trade and Canadian trade policies and are of use to the government as they will be of use to the committee when it studies this bill in detail.

I should like to deal specifically with a number of observations which have been made. I found some of them very strange. We have found ourselves, as Canadians, with an unprecedented trade surplus, with rapidly expanding international trade, and yet at a time like this we have been beating our breasts and calling down upon the Lord to ask him how such a strange thing came about that we should be so successful. I suppose this is typically Canadian and that we all share this trait. We are selling our goods all over the world in unprecedented quantities and we say: There must be something wrong. The government must be making a mistake. Businessmen in Canada cannot be doing the right thing; we are successful. As I say, I suppose this is typically Canadian, but I confess I found some of the comments today surprising.

No doubt there are difficulties ahead of us. It is not just clear sailing and it would be wise for us to pay attention to what may lie before us. It has been pointed out that the undoubted entry of the United Kingdom into the European Common Market will cause us considerable difficulty; we shall have to find markets to compensate for the markets we shall lose when the United Kingdom makes this change. This is a situation we shall have to face honestly. But along with the entry of the United Kingdom into the Common Market there are considerable opportunities for us. This is a rapidly expanding market which is prepared to consume increasingly large quantities of not only our raw materials but our manufactured goods. It is more important for us to concentrate on the opportunities open to us than upon the difficulties. If we do, we shall come out all right.

Another of the pessimistic views expressed here this afternoon concerned the DISC program which has been proposed in the United States. It was pointed out by the hon. member for Peace River (Mr. Baldwin) a few moments ago that this proposal had not been passed by the United States Congress, that it had been dropped. Perhaps it will be revived and brought before Congress again, but let us cross that bridge when we come to it. Let us enter, well prepared, upon any negotiations which may be conducted, but I believe we should not cry too much before we are hurt.

Mr. Saltsman: May I ask the Parliamentary Secretary a question?

Mr. Deputy Speaker: Is the hon. member rising on a point of order?

Mr. Saltsman: I should like to direct a question to the Parliamentary Secretary, since he is giving his views on how successful we have been. I should like to ask him whether he thinks the highest rate of unemployment in the western world, and the slowest growth rate, is cause for congratulation.

• (8:30 p.m.)

Mr. Howard (Okanagan Boundary): I did point out, Mr. Speaker, that we are not without problems in Canada. What I said was that we have been extremely successful in the matter of world trade, and I specifically made that point. I suggest that having been successful in this area, we should not cry about our success but be happy with it.

A point made by the hon. member for Regina East (Mr. Burton) this afternoon concerned our investments in lesser developed countries than Canada. He suggested this was some kind of economic imperialism that we should fear and shy away from; that the instrument before the House made it easier for Canadian businessmen to take part in this economic imperialism and indeed encouraged them to do so. I do not share that view, and I know my view is shared by many other people who are specialists in the field of external aid. I also know that all the official aid that we could ever give would never solve the problem of developing economies in countries that need such help. Unless we can encourage our businessmen to invest, to create employment and thus improve the economies of these countries, even with all the official aid that we could give to them these countries could never hope to bring themselves above the poverty level. The countries themselves recognize this and welcome and encourage the establishment of Canadian industry within their borders.

Perhaps we have to be careful of the terms under which industry goes into foreign countries, just as we have to be concerned about the terms on which foreign industry enters Canada, though that is a very different question. I think our industries must be prepared to live by the laws of the countries in which they do business. They must be prepared to adapt to local conditions and be good corporate citizens of those countries. They must be prepared to recognize that the welfare of the people in those countries must be considered. But as I say, it is the terms on which they operate that are important, not the fact that they are there.

The hon. member for Regina East also raised the question of foreign ownership of industries that are eligible for assistance by the Export Development Corporation. He asked what attitude the corporation took toward foreign-owned export companies, and he seemed to express concern that assistance might be given to these companies which could be inimical to the national interests of Canada. Let me assure the hon. member for Regina East and other hon. members who might be concerned with this point that the operations of the Export

Development Corporation are governed by the Export Development Act and are restricted to persons who carry on business in Canada. Further, I am informed that on each and every application without exception the EDC looks into such matters as autonomy, financial and corporate responsibility. The Export Development Corporation takes positive steps to ensure that the objectives of those seeking this assistance are consistent with those of Canada.

The EDC does not cover the credit risk of sales by Canadian exporters to their foreign affiliates; obviously this would be quite improper. For example, the export of raw materials to a parent company would not be eligible for insurance against non-payment. However, I would add that sales of Canadian goods or services abroad by foreign affiliates do qualify, and many of our manufacturers are availing themselves of this facility in marketing Canadian manufactured end products. Thus, it is a matter of concern to the EDC to see that businesses are scrutinized in order to ascertain whether they will make a substantial contribution to the economy of Canada and that it is not a case of somebody else's goods being moved to Canada, given a coat of Canadian paint and exported again with the benefit of Canadian financing.

The hon. member for York East (Mr. Otto) made a number of valuable points this afternoon. However, he referred to this bill as a pathetic little bill which would not do very much for the great trade problems facing Canada. I do not know about that. I think $1 billion is not a "pathetic little bill". Indeed, it is a pretty big bill to most of us. I suggest to the hon. member that this bill is but one instrument, one part of our trade machinery. There are a great number of ways of aiding, developing and promoting Canada's international trade. The Export Development Corporation fulfils a specific function and fulfils it extremely well.

The hon. member's references to trading methods of other countries, and particularly to the aggressive trading methods of the Japanese and the Germans, are valuable lessons for Canadians. We should never close our eyes to the things these countries are doing in competition with us and we should be prepared to learn, to adapt and to imitate wherever possible and whenever this will be of value to us.

I think I should clarify one matter that was raised this afternoon by the hon. member for Regina East in connection with a question he asked. I understood the hon. member to be referring to export credit insurance and I think I misinterpreted his question and gave him a wrong answer. He was referring to the kind of guarantees that certain countries are required to give to Canada. We have eliminated this provision in an amendment to the act since we found that these guarantees were impractical. Most countries objected to them. In answering his point this afternoon, I said that no country had given this guarantee or had agreed to give such a guarantee to Canada. During the dinner hour I discovered that very recently two countries had given the required guarantee. Nevertheless, this provision is being eliminated and is no longer a requirement under the act. It is also being eliminated for another reason, and it is because these agreements are, in effect, treaties between countries and are normally reciprocal. In this regard, under the Canadian Constitution the federal government would be infringing upon provincial jurisdiction, and as a result we are unable to offer any reciprocity. This is another reason that provision is being withdrawn from the act and the act is being amended accordingly.

• (8:40 p.m.)

I should also like to refer to comments by the hon. member for Peace River (Mr. Baldwin) who spoke a few moments ago. He pointed out that only a short time ago the act was revised. This is quite true; the act was revised a short time ago. I think it is a tribute to the fast growth and pace of Canadian export business that it is necessary to raise these limits again. In establishing the limits that are set up before us tonight, I do not anticipate that it will be very many years before we will have to raise them again.

It is the policy of the government to bring these changes before Parliament frequently, rather than to set very large limits that might last for 10 or 15 years in the future. We would rather bring this measure back to Parliament in order that Parliament might have an opportunity to review the limits and policies frequently. In this way the House will have an opportunity to comment, amend and negotiate regarding the operation of the Export Development Corporation.

The hon. member for Peace River also asked for assurance that the views of outside witnesses would be welcomed before the committee. I am sure that the House leader of the Conservative party knows much better than I, having been here for many years, that the business of the committee is in the hands of the committee. While I welcome the views of outside witnesses, this is certainly a matter for the committee to decide and I think we would have to leave it to its members to make that decision.

A final point raised by the hon. member for Peace River related to section 33 of the act to be amended—clause 7 of the bill before us. This involves the question of negotiable instruments. This is a technical change necessary because the Export Development Corporation is doing business in many countries around the world where what we refer to as negotiable instruments do not always represent a practical means of binding an agreement. It has been found impractical to follow this to the letter of the law, and for that reason the change is being made. What now is being allowed is an instrument, not necessarily negotiable, which may be approved by the Minister of Finance. This requires ministerial approval.

There have been a great many valuable points raised during the debate today. I referred previously to the valuable suggestions by many members. The hon. member for York East had a valuable contribution to make. The hon. member for Dauphin (Mr. Ritchie) reiterated the importance that I think we all feel of the elimination of non-tariff barriers in international trade. I agree with the hon. member that we face a growing

number of non-tariff barriers and we must find ways to eliminate them. The climate of international negotiation does not seem to lend itself at the moment to another great Kennedy-like round of tariff negotiations. There is no reason why we cannot be negotiating a number of lesser agreements to remove some of the 800 non-tariff barriers under GATT that bother us today.

Many of these non-tariff barriers are of minor consequence, and if Canadian businessmen or members of this House are cognizant of specific items they feel can be removed and are bothersome to Canadian business, we would be very glad to hear from them. This government stands ready to negotiate at every possible level and is most anxious to develop the freest possible kind of trade in order to improve our trading position wherever possible in the face of the complications in the world.

This concludes my remarks on the bill. I look forward to our discussions in committee and to suggestions to be made by hon. members at that time.

Mr. Baldwin: Mr. Speaker, would the Parliamentary Secretary answer a question?

Mr. Deputy Speaker: Is the hon. member rising on a point of order?

Mr. Baldwin: I should like to ask the hon. member a question on the last point I raised. The Parliamentary Secretary dealt with the difference between "negotiable instrument" and "instrument". As the Parliamentary Secretary knows, under the act an instrument includes a negotiable instrument and also simple evidence of indebtedness. Having in mind the change in terminology, it would now appear there will be an opportunity for the corporation to negotiate, sell or deal with an instrument, which includes only evidence of indebtedness. Can the Parliamentary Secretary assure the House that the corporation is satisfied that simple evidence of indebtedness as defined by the act, which is now included by the elimination of the word "negotiable", can in fact be dealt with by the corporation as in the past? There is a difference between a negotiable instrument as we understand it in this country and evidence of indebtedness which might be given according to the law of a foreign country but which might not be acceptable here.

Mr. Howard (Okanagan-Boundary): If the hon. member is referring to evidence of indebtedness as being a promissory note, then this is clearly a negotiable instrument. The difficulty arises in that it is now common banking practice in international trade to have a fixed interest rate included in the instrument. Because of this kind of change it is necessary to remove the word "negotiable". This is purely a technical change to accommodate the differences in common usage that have grown up in recent years.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

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

[Mr. Howard (Okanagan Boundary).]

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

* * *

NEW ZEALAND TRADE AGREEMENT (AMENDMENT) ACT

PROVISION FOR APPROVAL AND COMING INTO FORCE

Hon. Ron Basford (for the Secretary of State for External Affairs) moved that Bill S-4, to implement an agreement amending the trade agreement between Canada and New Zealand, be read the second time and referred to the Standing Committee on External Affairs and National Defence.

Mr. Lambert (Edmonton West): Mr. Speaker, I rise on a point of order regarding the motion to refer this bill to committee. I wonder why on earth it was found necessary that a trade agreement which deals primarily with dumping and anti-dumping negotiation should be referred to the committee on external affairs, when the Committee on Finance, Trade and Economic Affairs is the committee which has dealt in great detail with the question of dumping and anti-dumping and all that flows therefrom. It seems to me that the motion should refer the matter to the Committee on Finance, Trade and Economic Affairs. I hope that someone on the government side who is in a position to move an amendment to the motion will consider my suggestion and move such an amendment.

• (8:50 p.m.)

[*Translation*]

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the Protocol modifying the 1932 Trade Agreement between Canada and New Zealand was signed in Wellington on May 13, 1970, by the right hon. Prime Minister of Canada (Mr. Trudeau) and by the Prime Minister of New Zealand.

Although the protocol does not modify the essence of the rules governing our bilateral exchanges, it constitutes an updating of the existing agreement and provides for certain mutual benefits.

First, a new anti-dumping provision enables Canada to fulfill her obligations under the international anti-dumping code while providing for similar treatment for Canadian goods on the part of New Zealand authorities.

Second, under an amendment included in the protocol, Canada pledges to try, by means of administrative measures, to minimize the difficulties encountered by New Zealand exporters due to certain requirements of the Agreement compelling them to ship their goods directly to Canada in order to enjoy the British preferential tariff.

Third, this new clause covering specifically consultations and the establishment of a joint consultative Canada-New Zealand committee provides means and ways to

settle with greater efficiency a wide variety of bilateral problems.

This consultative committee will furthermore have to gather at the ministerial level or at the higher officials level, at least every two years, and will then be free to discuss all subjects of common concern.

Fourth, the protocol provides prior consultations for any significant change to the preferential tariff treatment that either party would consider.

Since the original 1932 trade agreement between Canada and New Zealand was introduced in Canada as an act of Parliament, the amending protocol must be introduced as an act amending the act. By approving the protocol for purposes of official acceptance by Canada, the cabinet has decided consequently that this amending bill, which is required, must also be introduced before Parliament.

And I hope that honourable members will be ready to accept Bill S-4 and to refer it to the Standing Committee on External Affairs and National Defence.

I understand the comments made by the hon. member for Edmonton West (Mr. Lambert) but, as this legislative proposal has been introduced by the Minister of External Affairs, I feel that, in accordance with the House's usual procedure, it should be referred to the Standing Committee on External Affairs and National Defence.

In any case, I will consult my colleagues who have more parliamentary experience than I to see if there is not some other way to deal with this bill in committee in order to satisfy the hon. member.

Mr. Lambert (Edmonton West): Mr. Speaker, why then do we have a committee on Finance, Trade and Economic Affairs?

[*English*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to begin by congratulating the Parliamentary Secretary for his presentation. I think I will not quite emulate his brevity, but I shall not deliver lengthy remarks on this bill. I think it is a good thing to have Parliamentary Secretaries involved in legislation. I note, however, that so far as the record shows, at no phase of the consideration of this measure in the other place was any minister present when it was being discussed.

I am not convinced the bill is as innocuous as it may appear at first blush. I think it may be possessed of a little more potential for importance than may appear. This is an interesting measure in that it is one bilateral treaty which has stood untouched for 38 years. It comes into the area of personal recollection. I can remember as a youngster of 11 that in the election campaign of 1930 everybody was talking about New Zealand buttter. Then there came on the scene a great man who was going to blast his way into the markets of the world and make tariffs work for the farmers as free trade had never worked for them.

We had on the scene in the thirties a very vigorous personality and powerful leader. He is not, and was not, my favourite among Conservative leaders but he did many things when it came to economic matters. It was interesting how he looked at the Commonwealth as it was called in his time. While Bennett had no use for the idealistic concept of free trade, he quarrelled with his friend Lord Beaverbrook about that. He did believe in freer trade, and this agreement with New Zealand which has stood since 1932 was one of the emanations of this belief. I think it is appropriate, too, that on the eve of the Commonwealth Prime Ministers' conference we are tonight discussing a measure which directly emanates from a protocol signed by our own Prime Minister (Mr. Trudeau) and the Prime Minister of New Zealand a few months ago. We are discussing something which had its origin in a year of Canadian centrality in Commonwealth affairs.

We have had periods through the years when Canada and Canadian leaders have given distinct direction to the empire, as it was once called, and to the Commonwealth of Nations as it was later called and is now called. We can think of Sir Robert Borden who in many ways was the father of the modern Commonwealth. We can think of Meighen who gave emphasis to the Pacific, so far as the Commonwealth was concerned, at the 1922 conference. And we think of Bennett in the thirties, making the then outrageous suggestion that Commonwealth conferences should be held other than in Britain and pushing his way to the very centre of things in an age of painful economic nationalism in an effort to get some sort of supranationalism in the world of economic nationalism through Commonwealth agreements. While the hopes of Bennett were not realized and the world did languish far too long in the trough of economic despondence, some of these agreements have stood, and stood well, and we are talking about one of them tonight.

We are very far from New Zealand, geographically, but in many ways very close to this senior member of the Commonwealth. I used to note at the United Nations General Assembly quite a correlation between the votes of New Zealand and Canada on a great many questions; we were very close in many points of view. I think it is important to note always that this Commonwealth is made up of a gossamer connection of all the states and the special associations of groups within the Commonwealth. We, naturally, could not be as close to New Zealand in deference terms as is Australia. We can be, and I think should be, even closer to the Commonwealth Caribbean than we are now. So the Commonwealth is wound up in a series of bilateral and perhaps trilateral agreements all within the framework of a most unique and interesting institution.

• (9:00 p.m.)

Once again we hear that the Commonwealth is threatened and that it is going to break up. I was appalled to hear on the CBC tonight that the Prime Minister of Canada who is in India was even publicly contemplating that a situation might arise where Canada may perhaps find herself leaving the Commonwealth. You do not leave organizations like the Commonwealth. You do not leave the United Nations, nor do you leave NATO because

everyone there is not on exactly the same wavelength as each individual member desires. This is not the way the Commonwealth is structured; it is not the way it is functioning. To even talk about Canada leaving the Commonwealth strikes me as a painful and regrettable example of anticipatory petulance which I think does no good to Canada and no good to the Prime Minister.

There are features in this bill which no doubt the learned economists of my party will want to discuss in greater detail. There are a couple of basic aspects which concern me. I notice that we are following the original treaty and using the British preference. I wonder what will happen to this treaty when the U.K. becomes a full-fledged member of the European Economic Community. What will the British preference in this legislation mean, and will we not in fact have to say about this reasonably ancient treaty—if I may call something reasonably ancient—that it has outlived its usefulness and that we are back to square one so far as trading relations with New Zealand are concerned? Therefore, this is not just a simple piece of legislation: the whole question will have to be reconsidered very carefully.

The thing that has always pained me about the present government is that they seem almost to have been taken by surprise by the fact that the British have seriously contemplated and are in fact on the way into the European Economic Community. Another thing that strikes me as important—it will have to be carefully discussed and I am sorry that no one who has been piloting this measure in either place has mentioned it—is the question of agricultural products today. It was butter in the 1920s and the 1930s, and it is another agricultural commodity—I am not an expert in agriculture—which we should be considering very carefully in the context of the present state of Canadian agriculture. The reference is to the anti-dumping techniques. They strike me as being reasonable and sound. I am not quite prepared to go along with the hon. member for York East (Mr. Otto) in reference to GATT, but neither do I worship at that particular temple every day of the week.

Having said these general things and noting carefully what my colleague in front of me, the hon. member for Edmonton West (Mr. Lambert), said about the Trade and Commerce people rather than the External Affairs people, I am inhibited and overly modest about getting into these important matters. I know that probably he will be getting into them with his usual perceptive and comprehensive manner and will deal with them in greater detail.

I have a feeling that this agreement, because of events in Europe with reference to the United Kingdom, will not last anything like 38 years. It will be shortlived, and therefore we must bear this carefully in mind. I think we should approach the matter as one of economics. Of course it is a trade measure. I think the fact that the Commonwealth is involved makes it a little more than just another treaty. I am glad to have had the opportunity to make these few remarks. Having made these observations, I have no disposition to prolong the discussion.

[Mr. Macquarrie.]

Mr. Max Saltsman (Waterloo): Mr. Speaker, I think it is natural for a Canadian to welcome any enlargement of contacts with a beautiful country such as New Zealand. New Zealand in some ways is very much like Canada. Anyone who has visited that country, as I had the privilege of doing along with the hon. member for Edmonton West (Mr. Lambert) during the Commonwealth conference in 1965, comes away impressed with the similarity of that country to Canada. In many ways New Zealand stands in relationship to its giant neighbour, Australia, with seven times its population, as does Canada in relation to the United States and the same kind of feeling exists, the same kind of hesitancy about the future.

The New Zealand economy is structured almost entirely on agricultural export. The latest figure I can recall is that 95 per cent of New Zealand's exports are agricultural. This results from the geography and the population of the country. Therefore, when we enter into an agreement with a country like New Zealand, as welcome as that agreement is and as welcome as contacts with New Zealand are, we must realize that it poses a very serious threat to Canadian agriculture at a time when it is already in very great difficulties.

Unfortunately, the remarks of the Parliamentary Secretary were not very enlightening in the sense of telling us what will happen as a result of this agreement, what are the prospects for Canadian agriculture and in what difficulties Canadian agriculture will find itself as a result of the agreement. Nor were we told what provisions the government is making to correct any dislocation of Canadian agriculture that might result from this gesture of accommodation toward a country which we like.

As I have said earlier, our farmers are in increasing difficulty. New Zealand is also facing increasing difficulties in terms of her agricultural exports. Most of New Zealand's agricultural exports have traditionally gone to the United Kingdom; it is the single biggest market for New Zealand. We understand that the U.K. is trying to set special terms of entry to permit its trading relationship with New Zealand to continue. Unless she can get this kind of an agreement as a condition of entry into the Common Market, a large proportion of the produce which is now going to the U.K. will be thrown into other world markets, particularly the markets of countries with which New Zealand has a trading agreement. I say this to highlight the danger that exists in signing agreements with friendly countries with whom we wish to maintain trade without making adequate provision for the effect they will have on Canadian production and our farming industry.

The relationship between Canada and New Zealand, although it goes back a considerable span of time, has not been very friendly or very compatible in recent years. I do not think there has been any open hostility, but there has certainly been a considerable degree of coolness in the relationship between our country and New Zealand. New Zealand was one of the few countries that did not exhibit at Expo. This was a great disappointment to Canada. We have had difficulties with New Zealand in terms of reaching agreement for our international air lines to land in that country.

• (9:10 p.m.)

There have been few ministerial visits to Canada. Recently the Prime Minister of New Zealand visited us, but previously there was a tendency for Canada to be bypassed when New Zealand ministers were touring the world. However, Mr. Speaker, when you are in New Zealand the situation is entirely different. One could not ask for greater friendship or greater hospitality than was extended to our delegation when we were in that country, a delegation that was so well led by the very able Minister of Consumer and Corporate Affairs (Mr. Basford). I am sure he will recall that visit with great pleasure.

If we look at the trade picture between our two countries we find that we sell about 300 products to New Zealand, some in fair sized quantities and some in lesser quantities. We sell New Zealand a considerable amount of chemicals and fertilizers, but virtually all the goods that we sell are industrial goods that come from central Canada and it is quite obvious that in return we buy virtually all agricultural products, which will principally affect the farmers of western Canada. At one time those products were butter, cheese and mutton. Today the principal product is New Zealand beef, which is a prime competitor for our western beef industry. Yet this is at a time when the government through its Lift program has been suggesting to western farmers that they should get out of grain production and concentrate on beef production. At a time when our farmers are being told they should switch from grain to beef, an agreement is made between our country and New Zealand to provide for the importation of more beef products from that country.

I would like to indicate how trade between the two countries has been changing over the last few years. For a long time our exports to New Zealand were at least double our imports from there. In 1968 we exported $31,842,000 worth of goods to New Zealand and imported $18,645,000 worth of goods. In 1969 this pattern changed; we exported $36,976,000 worth and imported $41,482,000 worth. For the first time we started to import more than we exported. There was a reason for that, Mr. Speaker. For years most of the products we imported did not find their way on to the Canadian market. They came into Canada to be transshipped to the United States and did not have a serious effect on our domestic market. Here they were cut up, packaged and prepared for North American delivery and forwarded to the U.S. market. That situation existed until last summer, when serious objection was raised by American farm organizations that Canada was being used as a bypass for New Zealand produce. As a result, this trade was effectively curtailed.

In 1970 we exported $35,192,000 worth of goods to New Zealand. In fact, through the years our export figures remained fairly constant. But in 1970 we imported $38,-311,000 worth of goods from New Zealand, which came on to the Canadian market because the U.S. border was being closed to New Zealand imports; New Zealand products could not enter the United States as easily as before. New Zealand goods that were in storage in Canada for transshipment to the U.S. found their way on to the Canadian market and represented a serious source of competition for the already hard pressed Canadian farmer.

Therefore, while the signing of agreements of this kind with a country like New Zealand is welcome, a country that is very much like Canada in terms of its people, its outlook and attitude, and while we want to extend the scope of our friendship and trade, it raises enormously serious problems and adds to the already great feeling of unhappiness and sense of neglect being felt in our western provinces.

The argument we have always heard is that the east is continually trading off agriculture for manufactured goods. Westerners said this with respect to the Kennedy round, and with a considerable amount of truth. They will say it again with respect to this agreement, again with a considerable amount of truth. This is the great dilemma that faces us. It would not be such an enormous dilemma, Mr. Speaker, if we had a statement of policy from the government. This is the great difficulty.

We know that changes in trade are taking place throughout the world. The farmers know changes are taking place. But what actually is happening? What kind of provision is being made to take account of the dislocations? When my colleagues listen to me speak about the necessity to protect the shirt and shoe industries in my riding, they ask me, with great justification, "What is being done to protect the farmer?" That is part of the grievance of the west. What we need is a policy that takes these matters into account, that recognizes the diversity of interests within this country and in a planned fashion, with an organized approach, with the co-operation and participation of those affected, reaches a decision about the future of industries in such a way as not to disrupt violently the livelihood of those engaged in them and their ability to survive.

Therefore, we feel that the government must provide us with answers to the questions that this agreement raises. We want to know what have been the consequences of trade between Canada and New Zealand and what provisions the government is making to take account of them. We intend to give the bill close scrutiny both in committee and in the House.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I would like to make some comments on the bill under consideration and at the same time ask the Parliamentary Secretary to the Secretary of State for External Affairs (Mr. Ouellet), for some information relating to the expressions "goods", goods the growth", and so on.

Article 2 of Bill S-4 reads as follows:

Articles IV and V of the Agreement are deleted and replaced by the following Article:

Now, in article IV of the agreement signed in 1932 and assented to May 13, we read the following:

Goods entitled to entry under Article I hereof shall not be subject to Section 6 of the Customs Tariff of Canada unless previous notice has been given by the Government of Canada to

the Government of New Zealand that the importation of such goods would prejudicially or injuriously affect the producers or manufacturers of similar goods in Canada,—

Since, with Bill S-4, this clause is eliminated, the protection which used to be granted to the Canadian producers would also be eliminated.

I remember that, last year, at the time of the visit to New Zealand of the Prime Minister (Mr. Trudeau) it was said on television that the Prime Minister would have stated that the Canadian government's dairy policy was aimed at reducing production to allow the New Zealanders to export their dairy products to Canada.

Now, Mr. Speaker, at the end of December, Mr. Roland Pigeon, President of the Coopérative fédérée de la province de Québec, sent a telegram to the President of the Canadian Dairy Commission and requested that the Commission's regulations be amended so as to protect dairy production and prevent a possible shortage of dairy products in Canada.

This is why I am rather worried and this is the reason for my remarks. I would like to know what is the actual purpose of Bill S-4. Is it really to permit the importation into Canada of competing products and to enable New Zealand to export here what we have already in sufficient quantities to a point that the government has already thought of penalizing the producers that would exceed their quotas? Everyone knows that if production exceeds the quotas set by the Canadian Dairy Commission, the producers are subject to a penalty of $1.25 per hundredweight.

• (9:20 p.m.)

What happens when we deal with some country? I am for trade with the Commonwealth countries and others in the world. This is quite normal. But I believe that we should not import goods likely to affect labour, production or income within some sector of our society.

It might be argued that butter from New Zealand can be obtained at 45 cents or 50 cents per pound. In turn, I might say: A pair of shoes from India can be obtained at $2. Also good quality shirts can be obtained from Japan at $3; the same rationale could be used concerning many other goods and many other staples.

By always importing what is cheaper elsewhere, we stifle industrial development at home, prevent our industries from expanding and producing, and deprive Canadian workers of their jobs. Before long our country might become an importing country only for the fact that other countries are able to produce goods at lower cost.

I wish we were told exactly what is meant by "goods the growth..." This is what we find in the bill:

2. Goods the growth, produce or manufacture of ... into New Zealand—

What does this mean? Have we established what are the goods the growth, produce or manufacture of New Zealand which will be imported?

That is what I wanted to stress so as not to be told some day: We would have told you if you had asked about it. You ask about it now that the legislation has been passed, now that the bill has been ratified. It is too late!

I sincerely hope we are given all that information when the bill is examined more thoroughly so as to be able to pass such information along to the people we represent.

I already have enough problems in my own constituency without having to approve legislation that might create still greater problems.

That is why I hope the Parliamentary Secretary will be able to give us all the necessary information so that we may know exactly where we are going.

[*English*]

Mr. J. H. Horner (Crowfoot): Mr. Speaker, after looking at Bill S-4, which deals explicitly with Canada-New Zealand trade arrangements, I immediately checked our import-export relationship with New Zealand. I realize that trade is a two-way street. If we expect to export, we must import. Much to my surprise, I found that Canada and New Zealand are relatively in balance with regard to trade. During the period January to October last year, Canada imported from New Zealand goods valued at approximately $35 million. In the period January to October, Canada exported $35 million worth of goods to that country. In the same period Canada imported almost $27 million worth of beef. Our total imports and exports are about equal.

I wondered about the reason for Bill S-4. After some study I realized that this bill will allow New Zealand to apply anti-dumping legislation against our manufactured goods. I question the motivation of the bill and whether Canada's position is secure in this regard.

I wish to quote from an article dealing with beef. This is of particular concern to western Canada. The hon. member for Waterloo (Mr. Saltsman) dealt with this matter to some extent. I quote as follows from page 17 of the January 1971, issue of *Cattlemen*:

The Canadian government, of course, has created problems for itself.

I emphasize those words.

Canada alone among major nations clings to the concept of free trade among nations. Who will deny that this is an admirable goal? Of course it is. However, to adopt this stance, when other countries are moving the other way, is foolishly naïve. The net effect is that Canadian primary industry is forced to "swim upstream" against a very strong current indeed.

Let's look at the record. As mentioned, the United States is now in a protectionist mood and has since 1964 imposed quotas on beef from Oceania. The European Common Market has since its inception imposed rigorous quotas, tariffs and variable levies against all manner of agricultural products, including beef. Japan imposes a quota plus a tariff of 25% of the value (cost plus freight) of beef. Finally, the United Kingdom recently announced a system of variable levies for many agricultural products, including beef, to go into effect April 1, 1971. Thus, Canada stands alone unprotected in any way from world markets. What a ripe target!

Therefore, the position of the federal government is at best naïve and at worst suicidal for primary industry. In times like these we must have rational flexible policies designed to cope with modern realities. Nowhere is this need more in evidence than in the current situation respecting beef imports. Between 1969 and 1970, imports from Oceania more than doubled. What

if they double again in 1971 and again in 1972? Why shouldn't they? We apparently have neither the laws of Parliament nor the desire of parliamentarians to prevent just such an occurrence.

• (9:30 p.m.)

That outlines the position with regard to beef and the oceanic countries, New Zealand and Australia. What is the situation with regard to New Zealand and beef imports? In 1969 we imported 28.7 million pounds of beef from New Zealand. This year, with the third quarter complete and statistics for the fourth quarter not yet to hand, we have already exceeded the 1969 total. We are faced with a total of 30 million pounds of beef from New Zealand alone. This gives us some idea of the increase. In fact, last year 7 per cent of the beef consumed in Canada came from Australia or New Zealand. This year it is something in the order of 12 per cent.

I am not particularly objecting to the fact that Canadian producers must meet competition, but I should like to recall the words of the Minister of Agriculture (Mr. Olson) when he told a recent meeting of the agricultural congress that Canadian agriculture was subsidized to a significantly less degree than that of any other country in the world, including New Zealand and Australia. As the article in the *Cattleman* said, we must become sharp traders; we must be able to bargain for the rights of our producers. One can readily understand that western Canada is anxious to divert part of its wheat production capacity into the beef industry. For our part we must allow it a market for the products which Canadian farmers and ranchers have decided to raise.

How does this relate to Bill S-4? To explain this perhaps I should read from the proceedings of the Senate Committee on Banking, Trade and Commerce. As reported on page 7 of the committee proceedings for November 4, 1970, Mr. J. R. Roy, acting head of the commercial policy division of the Department of External Affairs had this to say when explaining Bill S-4:

This bill is required to put into effect the Canada-New Zealand trade protocol which amends the 1932 trade agreement between Canada and New Zealand. The trade protocol was signed on May 13, 1970, in Wellington by the Prime Minister and the Right Honourable Keith Holyoake, Prime Minister of New Zealand.

We thought our Prime Minister (Mr. Trudeau) was attending nightclubs over there, but now we find he signed some important trade agreements which may have repercussions across western Canada particularly. He apparently believes in the theory that all play and no work makes "Pet" a dull boy. Mr. Roy continued:

The protocol does not alter the basic framework governing the conduct of our bilateral trade with New Zealand. However, it does update the present agreement and provides for certain benefits of mutual advantage.

I draw attention to the words "mutual advantage". As I read these committee proceedings, I fail to see the advantage which Canada will derive from this agreement. Mr. Roy continued:

There is a new provision on anti-dumping which will allow Canada to fulfil its obligations under the international anti-dumping code. At the same time it provides for roughly equivalent treatment of Canadian goods by the New Zealand authorities.

Apparently Canada will be able to apply anti-dumping regulations against products coming from New Zealand. Well over three-quarters of the products coming from New Zealand are in the form of meat, lamb and beef—mostly beef. We receive practically all our mutton from New Zealand and there is a fifty-fifty break as between New Zealand and Australia lamb. Can we apply an anti-dumping code against these entries at any time? I doubt it very much. The chairman of the committee asked a question and Mr. Roy replied as follows:

In order to set this matter straight we have requested and obtained a modification to the trade agreement with New Zealand.

Senator Molson then commented:

There is no explanation here of the articles to be amended. For example, article IV and article V of the agreement are deleted. Frequently when legislation is prepared the changes are shown. In this case there are blanks on the explanation side.

Provision of explanations is normally a standard procedure. The effect of changes made is explained on the explanation side of the page. Senator Molson is quite right; Bill S-4 contains no explanatory notes whatever. On the following page, article IV of the GATT arrangements is discussed. Earlier today, a member of the government told us how good GATT was to Canada. I shall not quote his remarks but I wish to draw attention to the following point. Bill S-4 gives the government of New Zealand an opportunity to apply anti-dumping regulations under the GATT agreement to manufactured goods entering that country from Canada. No explanation of the reason has been given in this House, and I fail to see that any explanation was provided during the Senate committee hearings. No assurance was given that similar action could be taken by Canada against commodities, manufactured or otherwise, entering this country from New Zealand.

I invite hon. members to consider the problems facing western Canada agriculture today. One sees a substantial increase in hog production all across western Canada, in the neighbourhood of 70 per cent in the province of Saskatchewan, 26 per cent in Alberta and 23 per cent in Manitoba. One might ask what effect this will have on the price of cattle. It has had a drastic effect on cattle prices, thus compounding the difficulties which Canadian cattlemen face already, quite apart from sharp increases in imports from Australia and New Zealand.

I invite hon. members to read the Washington Farmletter put out by a farm writer, Wayne Darrow. He has this to say about the price of pork in the United States. He writes that because pork prices have fallen so low they have caused a sharp decline in the price of cattle, amounting to 5 cents a pound. I read from the Washington Farmletter of January 8. Hon. members will see that these are current figures.

Not all the damage of the hog glut is reflected in hog price returns. Cattlemen got hurt, too. Choice steer prices at Omaha peaked at $31.48 cwt. the first week in July. Then, although volume of beef kill remained right at 1969 level, price fell to $26.09 in December. Both pork volume and economic sag had a hand in this $5 fall.

New Zealand Trade Agreement Act

• (9:40 p.m.)

This emphasizes that by allowing a surplus of grain to build up in Canada we have brought about a diversion to hog and cattle production. This past year alone, as a result of programs in the province of Saskatchewan the number of cows increased by 86,000 head, and no doubt there was a similar increase in the province of Alberta. This means an increase in cattle herds throughout the country.

Can we sustain an agricultural industry that encourages producers to produce livestock rather than to grow wheat and other commodities that have created a glut? Can we do this by allowing our prices to fall and imports to increase? I repeat that last year in beef alone there was a substantial increase in New Zealand exports to Canada as well as from Australia. Over-all, last year Canada imported something like 7 per cent of all beef consumed in Canada, and this year we have imported something like 12 per cent of all beef consumed in Canada.

With regard to lambs, we have long tried to negotiate with New Zealand and reach an agreement. We have stated that if New Zealand would not export its frozen lamb products to Canada at the same time as Canadian lambs were going to market, we might be able to handle an appreciable amount of New Zealand lamb. Yet repeatedly our market has been hurt substantially by heavy imports of New Zealand lamb at a time when Canadian lambs were going to market. This has had a very depressing effect on price. I am a little reluctant to see Bill S-4 pass when it appears that we are giving New Zealand the right to impose anti-dumping restrictions on Canadian manufactured goods entering their country, while we are not giving ourselves a reciprocal right in regard to the main agricultural imports from New Zealand. Lambs have been an historical problem in the Canadian agricultural market, both as to the timing and the volume of imports.

We should examine this bill very closely and ascertain whether, when the Prime Minister signed the trade agreement on May 13, 1969, he was overtaken by a conciliatory spirit as a result of the hospitality shown him by the New Zealand government. I was interested in the remarks of the hon. member for Waterloo about the New Zealand government being very hospitable to us when we visit their country, yet they are hardly prepared to come here to consult or visit us. The thought has entered my mind that since they have a Labour government in New Zealand, they therefore tend to protect their own market and not be too concerned about their traders. At least, a few years ago they had a Labour government which was not too hospitable to New Zealand's trading neighbours. Since then they may have mended their ways and perhaps become shrewd traders, catching the Prime Minister in a weak moment.

Having said that, I concur with the hon. member for Edmonton West (Mr. Lambert) who stated he could see no reason why this bill should go to the external affairs committee instead of to the committee on trade and commerce. I think this is a very good suggestion since we are dealing here with a country that is almost an equal trading partner with us. If we give them some advantage, we should receive a similar advantage. I say this in view of the concern and the fear being expressed in agricultural circles in western Canada. Since the government is very responsive to fears that are expressed, and perhaps even over-reacts in such matters, I hope it will act normally in this case and refer the bill to the committee on trade and commerce.

Mr. John Burton (Regina East): Mr. Speaker, I wish to participate on the debate on this bill for a few moments because I object to the manner in which the government is handling legislation in the House. An agreement has been signed by Canada and New Zealand which, as the Parliamentary Secretary quite properly pointed out, requires ratification by the Parliament of Canada. However, my objection has to do with the fact that we did not hear a single word from the Parliamentary Secretary about some very significant events and developments which have taken place since the agreement was signed. It seems to me that if we are to have any sort of reasonable or sensible debate on the subject of this agreement, it is important that the government give us some information about developments since last May.

As has been pointed out, relations between Canada and New Zealand have not been at their best for some time. Possibly one reason for this is that we both produce similar products, particularly in the field of agriculture, and these products compete with each other. Naturally, this poses some difficulty in reaching a good trading agreement.

However, I think it is important to take note of recent developments, as did the hon. member for Waterloo (Mr. Saltsman) and the hon. member for Crowfoot (Mr. Horner). Toward the end of last June it became quite clear that a serious situation was developing. There has been a flow of livestock products in both directions between Canada and the United States. Generally, we have seen a greater importation of cattle from the United States to Canada than vice versa. However, we also found there was a fairly heavy movement of cattle or manufactured meat particularly from Australia and New Zealand which was being shipped to the United States via Canada.

This situation reached the stage where toward the end of last June the United States government decided it would have to impose restraints against further shipments in view of the fact that direct shipments from Australia and New Zealand, plus the shipments coming via Canada, were such that there were protests from U.S. farm organizations. As the *Globe and Mail* of July 17 pointed out, officials were dickering about the duration of the trade suspension, which officials estimated would be two months at the outside. It would be useful to have a further outline from the government as to what actually took place. The *Globe and Mail* article also noted that the glut of manufactured meat became a threat when the United States called a halt to imports of the Australasian variety by way of Canada.

Then a very important point was made by the *Globe and Mail* article, which pointed out that about a dozen Canadian dealers, packers, importers and brokers had built up the transshipment of Australasian meat to the United States into a flourishing business. The business has built up to about 50 million pounds annually. It was also noted that the arrangement violated a U.S. program of voluntary restraints on meat imports, with U.S. warnings to Australia, New Zealand and Canadian dealers, and led to a ban order on June 30. When this was protested by Canada, with the suggestion that it be brought in in easy stages, it was pointed out that the United States had reminded Canada of this and that numerous advance warnings had been issued.

• (9:50 p.m.)

It was also pointed out in an article in the *Globe and Mail* of December 1, that although shipments of Australian and New Zealand beef to Canada had been shut off by U.S. customs officials, there had been evidence that Canadians had been sending in more of its own beef while keeping some of the third country meat. I think this points to the need for a government statement on the situation, if in fact we are to deal with some of the problems that have arisen and if we are to reach the objective of a reasonable and sensible trade arrangement with New Zealand, which I am sure all members in this House would like to see.

The situation I have referred to, and some of the developments over the past several years, are illustrative of the confusion which exists in agricultural industry and agricultural production in Canada. This is illustrated by the fact that last year, I believe for the first time, imports of food into Canada exceeded the value of exports of food. Certainly there is no need for this situation which has resulted solely from government mismanagement and the absence of adequate government policy.

We must avoid some of the problems which have plagued our agricultural industry. We also want to carry on trade with foreign countries, but there is room for further effort to bring about rationalization in respect of the timing of marketing various products, which was referred to by the hon. member for Crowfoot, and in respect of rationalization of production.

I wanted to place on the record our concern about some of the problems which exist. With these few remarks I urge the government to take steps to ensure that in fact the interests of all concerned are adequately protected by arriving at a more sensible solution than appears to have been the case in the past.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have only a few words to say with respect to this bill. First of all, I do not share the views of my friends to the left who express so much fear about the 2,500,000 people of New Zealand. During the war I spent nearly three years with many New Zealanders who were fellow prisoners of war, and I got to know them very well. In 1965 I had the opportunity of visiting that country and formed a good idea of what it can do and what it cannot do.

To suggest that we will be subtly attacked, and that the economy of this country will flounder because of possible changes in our trade patterns with a country of 2½ million people, seems to me a little beyond comprehension. I refer to the remarks of the hon. member for Regina East (Mr. Burton) and the hon. member for Waterloo (Mr. Saltsman). New Zealand has a self-contained economy. It has possibly one of the highest tariff walls in the world, in order to encourage its industry. Here in Canada we complain about the unemployment of half a million people. We get very excited about this situation in New Zealand; if 1,000 men are laid off it is a major crisis because the population base is so small.

It seems to me that in the context of the trade pattern and in view of changing circumstances we must do everything we can to contain New Zealand within our family of friends and the family of nations of which we have been part for many years. Of course, trade has to be a two-way street. Frankly, if we shut the door on New Zealand's agricultural products they will not retaliate in respect of manufactured goods. It is not possible within their economic framework.

In the last couple of years there has been an artificial distortion of the facts because Canada was being used as a port of entry to the United States, mainly by Australia. If its people are smart and can find a way to do things, I think that is fine. The United States has little cause to complain, because it would be the first country to avail itself of a similar device if the opportunity was there. The United States has closed the door on New Zealand and Australian beef products which formerly went into the U.S. because Canada had free entry. I deprecate the tendency to economic nationalism that we have witnessed. We spoke about it this afternoon in respect of the United States and Europe.

We should not adopt a dog-in-the-manger attitude with regard to trading arrangements we can make with our sister countries in the Commonwealth. If we feel we can close the door to New Zealand's agricultural products, what do you think will happen in respect of the $30 million worth of manufactured goods we now export to New Zealand? The Japanese are waiting to supply these goods, and Australia is willing to supply them. We will in effect be cutting off our nose to spite our face. It seems to me that if we understand the workings of the anti-dumping code and the necessity to upgrade our agreements with New Zealand, the appropriate explanations will be forthcoming. Now that we have heard informally that an amendment will be made and that this bill will be sent to the Committee on Trade, Finance and Economic Affairs, I am sure all hon. members will envisage better trade relations with New Zealand.

I heartily endorse this agreement. I know that members of the cabinet of that country, wartime friends and acquaintances hope that we will be able to improve our relations with New Zealand. This measure is one way of doing that. I urge the House to adopt the motion.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I will require only two or three minutes to complete my

remarks. I hope Your Honour will let your eyes glide softly past the clock for that length of time, with the hope that we can complete this debate.

I agree with the hon. member for Edmonton West (Mr. Lambert) about the reference to committee. The one occasion the Committee on External Affairs delved into economic matters—and I have a great deal of respect for the deliberations of that committee—was an unmitigated disaster. The committee left its natural field and got into matters of United States nationalism. I hope the committee keeps away from this situation in the present case.

As the only member of this House who was born in New Zealand, perhaps I will be permitted to say a word or two on this subject. Having been nourished for the first few years of my life on New Zealand agricultural products, I hope I am a good illustration of their benefits—the mildness and moderation which they engender in the people of New Zealand. To some extent I agree with the hon. member for Crowfoot (Mr. Horner). There are problems in respect of which we must be careful. We must bring these to the attention of the authorities.

I was at a meeting of farmers in the Peace River country some two months ago. Several hundred farmers met to view, with great indignation, the agricultural policies of this government, particularly the unfortunate Farm Products Marketing Act. During the course of that meeting I rediscovered that a fledgling sheep industry was being developed in the north. I conclude what I have to say by placing on the record one paragraph from a letter I received, which I think will indicate my concern with the situation and will draw it to the attention of the authorities. This letter is from the president of the South Peace Sheep Breeders Association. In part it reads:

• (10:00 p.m.)

One concern we have is the importation of lamb from Australia and New Zealand. These countries have built their whole economy around sheep and the environment allows them to raise these sheep in a very economical manner. These importations present the people in the Peace River country who are struggling to develop a new industry with a very difficult competition. This is particularly true if importations are allowed in at the time of our heavy marketing, and we feel that strict import regulations are needed.

I must point out that this is not prohibition but regulation.

We would therefore ask the federal government to conduct a full investigation into the effect imported lamb has on the price of domestic lamb. In this regard we would draw to your attention these specific questions. Why is there an 8 per cent spread between imported lamb and Canadian lamb, the imported being the higher priced product? At times the price spread between Edmonton and Toronto markets appears excessive. We have noted differences as much as 16 cents a pound, and we would like some explanation.

Quite obviously, this bill provides the machinery to do this. I take this opportunity to bring the matter to the attention of the authorities and hope that the bill will now pass and be sent to the committee proposed by the hon. member for Edmonton West.

[Mr. Baldwin.]

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, we have given consideration to the very constructive suggestion of the hon. member for Edmonton West (Mr. Lambert) and are prepared to accept the suggestion to change the order of reference of this bill from the Standing Committee on External Affairs and National Defence to the Standing Committee on Finance, Trade and Economic Affairs. I can say from my own experience, having had the honour of piloting the anti-dumping bill through the House and through the finance committee that the members of that committee from all parties are equipped to deal with the matter now before the House. Therefore, I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Basford):

That the motion be amended to change the reference of the bill from the Standing Committee on External Affairs and National Defence Committee to the Standing Committee on Finance, Trade and Economic Affairs.

The Acting Speaker (Mr. Laniel): Order. It is the practice of the House to have a written motion. However, with the unanimous consent of the House I think the Chair can change the motion which is before us so that the motion will read that the bill be referred to the Standing Committee on Finance, Trade and Economic Affairs, rather than to the Standing Committee on External Affairs and National Defence. Is it agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): Is the House ready for the question?

Some hon. Members: Question.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, may I be permitted to ask the Parliamentary Secretary to the President of the Privy Council whether the government intends to bring in any legislation to assist the economic situation, or are we to follow the rather pedestrian list which we have?

Mr. Jerome: Mr. Speaker, my hon. friend well knows, the order which has been set for legislation this week. Following the measure just passed will be Bill C-192, the young offenders bill, followed by Bill C-185, in respect of the Crop Insurance Act, followed by Bill C-187, respecting minerals in the Yukon Territory, followed by Bill C-193, to amend the Northern Canada Power Commission Act. I do not suppose it is appropriate to make lengthy comment on whether that list of legislation satisfies my friend with regard to the importance of the items therein contained.

Mr. Basford: He should read the editorial in the newspaper.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

HEALTH—EFFECT OF CERTAIN BRANDS OF TOOTHPASTE ON TOOTH ENAMEL

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, whether we all have clean hands and a pure heart or not, Canadians do try to clean their teeth quite often, and when I asked a question the other day about abrasive qualities in toothpaste used by Canadians I was not being facetious or loose-lipped. It is very important, considering the dangers inherent in toothpaste as discovered in areas of the United States, that we in Canada know exactly what is the potential for injury in the toothpaste which is used by millions of Canadians.

I have news items here which indicate that three separate organizations in the U.S. have gone into this matter very carefully, the National Academy of Sciences, the U.S. Food and Drug Administration and the American Dental Association. The findings of these prestigious bodies are quite disturbing. Many of the well known toothpastes on the market, sold by millions of tubes and containers, have qualities which are injurious to the dental health of their users. One news item indicates that there is an abundance of abrasive material in one brand which is injurious to tooth enamel and, therefore, contributes to early decay. Another points out that out of 11 brands which claim to prevent or retard tooth decay, only two have any right to that claim whatsoever, and one is doubtful. The others, they believe, have no efficacious qualities whatsoever in this particular field.

If the U.S. is making such a vigorous assault in this very important area, I say that the mouths of Canadians are important, too. I urge and implore the Minister of National Health and Welfare (Mr. Munro) and his officials to give the Canadian people reassurance, guidance and suggestion. If people are making false advertising claims and making millions of dollars out of them, something should be done.

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, on behalf of the Minister of National Health and Welfare (Mr. Munro) and in response to the hon. member's question concerning a recent study by the American Dental Association of the abrasive quality of some brands of toothpaste, I wish to inform the House that the federal government has not to date conducted similar studies although continuing studies are going on regarding other aspects of toothpaste, such as the use of chemical additives and the efficacy and safety of popular toothpaste brands. We are studying the report of the American Dental Association and conducting a survey of Canadian schools of dentistry to determine what action, if any, is required. When this survey is completed, the Minister of National Health and Welfare will be pleased to report to the hon. member.

Proceedings on Adjournment Motion

• (10:10 p.m.)

AIR TRANSPORT—CONSULTATIONS WITH MANUFACTURERS OF DC-8 ON SPOILERS—EFFECT OF SONIC BOOM

Mr. Randolph Harding (Kootenay West): Mr. Speaker, on December 4, 1970, I asked the following question in the House of Commons:

> Has the government formulated a definite policy in regard to the sonic boom and its effect on Canadian communities in general? If not, what surveys on the problem have been made or are contemplated by the Department of Transport?

You, sir, suggested that the matter be raised at this time. It is obvious that the government cannot long delay a decision on this important matter. Several countries are building and offering for sale supersonic transport planes. There is the joint effort by Britain and France in the building of the Concorde, which has already been test-flown. Russia has also built and tested its TU-144. The United States has been building a supersonic transport model which might be ready for testing in 1972.

It is clear that the technological knowledge to build and fly these planes is now available to the countries of the world. As usual, there has been too little research done on the effects these planes will have on the terrain over which they will fly. This information is required before any sensible decisions about supersonic transport planes can be made. Already the airlines of the world are placing various types of options for supersonic transport planes. These options are not firm orders to buy, but are delivery positions and could be dropped by the various firms with only a small loss involved. However, it indicates that the companies are very interested and will try to incorporate supersonic transport planes in their air fleets.

The problem of noise and the damage it can do is probably the chief obstacle to satisfactory supersonic transport flight. As yet in Canada we have done little to assess this problem. In the United States opposition has been growing to supersonic flights over American territory. Recently, by a vote of 52 to 41 the U.S. Senate rejected a proposed $290 million subsidy for the development of the American supersonic model. A bill has been introduced in the U.S. Senate to prohibit the flight of supersonic transport over United States territory. The rejection of this $290 million subsidy by the U.S. Senate was based on the trouble and damage which sonic boom might cause to the environment. At high altitudes these aircraft could cause a path of sonic boom 60 miles in width. The effect this loud, sudden and frequent thunder-like boom would have on both individuals and animals has not yet been estimated.

There are also economic factors involved. Companies and individuals are interested in the effect that supersonic transport planes will have on air transport costs. Indications are that these will be sharply increased. There is also the serious problem of pollution. Up to the present, tests have indicated that there will be a vast increase in pollution problems at airports and in the upper atmosphere.

It is obvious that in the next three or four years the Canadian government must introduce firm regulations

covering supersonic transport. I take this opportunity to urge the minister and his department to press forward with all speed with research on this matter. We have no time to lose. The problem of noise pollution is a major one, not only in Canada but throughout the world. We must ensure that we make no mistakes in this regard in connection with Air Canada and other Canadian air companies when they are placing orders for supersonic air transport planes. If supersonic flight is not to be allowed over Canada, such companies should be told at the earliest opportunity.

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I commend the hon. member for Kootenay West (Mr. Harding) on what appears to be a very sincere interest in the extremely important subject of sonic boom and its effect upon us and our environment.

In addition to the question raised on December 4 concerning definite government policy, I noted that the hon. member asked a related question of the Minister of Transport (Mr. Jamieson) on December 11 regarding the involvement of Air Canada and their future planning on this matter. At that time the minister assured us of the the very constructive discussion which has been held among officials of Air Canada and the Ministry of Transport. This is very encouraging.

The first part of the hon. member's question asked whether a definite policy has been formulated with regard to sonic boom. The answer is yes, Mr. Speaker. The government's policy is reflected in the air regulation 515(2) which was promulgated in 1965. It provides as follows:

> No aircraft shall be flown in such a manner as to create a shock-wave the effect of which is to create or likely to create a hazard to other aircraft or to persons or property on the ground.

Where Canadian air space is concerned, this policy is in full effect. Hon. members will recall that the minister has reaffirmed this regulation in recent weeks in reply to questions resulting from the development of giant supersonic aircraft in Britain. Officials of the ministry are following closely the present flight trails of the Anglo-French Concorde and are specifically interested in any facts which may be uncovered by the sonic boom measurement portion of these trials.

The hon. member also referred to surveys on this subject. There is now established an interdepartmental committee on the sonic boom with representation from the departments of Transport, National Defence, National Health and Welfare, the Canadian Wildlife Service, Air Canada and the Canadian Meteorological Service. This committee is attempting to examine the problem of sonic boom from all aspects which appear to have relevance to a Canadian evaluation of the problem.

In addition to this, the Department of Transport has sponsored and is represented on the ICAO sonic boom panel. We are represented by Dr. H. S. Ribner and Dr. I. Glass of the University of Toronto institute for aerospace studies. This panel is composed of technical experts from a number of countries. They have recently completed a

1½ year study of the problem and have submitted to the ICAO air navigation panel their evaluation of the state of knowledge with respect to sonic boom.

[*Translation*]

The Acting Speaker (Mr. Laniel): Order, I regret to interrupt the Parliamentary Secretary, but I have to remind him that his time has expired.

[*English*]

REGIONAL ECONOMIC EXPANSION—ARGENTIA, NFLD.—REPORT ON EFFECTS OF CLOSING OF UNITED STATES NAVAL STATION

Mr. Walter C. Carter (St. John's West): Mr. Speaker, on December 7 I asked the Minister of Regional Economic Expansion (Mr. Marchand) the status of the report of the task force appointed by him some time ago to investigate economic conditions in Argentia, Newfoundland, as a result of the phase-down of the United States naval station in that area. The minister replied that the report had been submitted and that some recommendations of the task force had been accepted. The minister referred to the renovation of the Castle Hill project in Placentia, the rebuilding of a road from Long Harbour to the TransCanada highway and the construction of a community stage complex in the Argentia area. The phase-down of the U.S. naval station at Argentia, which imposed very severe hardship on the social and economic life of that area, took place in 1969. It was finalized in February, 1970. It is almost a year since the final lay-off.

The task force was appointed by the Minister of Regional Economic Expansion in conjunction with his colleague, the Minister of Transport (Mr. Jamieson), on March 7, 1970. In its report, the task force made a number of recommendations including paving of the road from Long Harbour to the TransCanada highway. They recommended provision of a small boat building and boat repair complex in the Argentia area. They recommended that a community stage be built and that power facilities be provided. They recommended a national historic site referred to as Castle Hill, as well as a few minor jobs involving minor expenditures.

• (10:20 p.m.)

The minister would have us believe, in reply to my question of December 7, that all is well, that the task force has reported, that the recommendations of the task force have been accepted, that work in connection with some of those recommendations has already begun and that as a result there is a real boom in the area. What the minister did not tell the House is that work has started in connection with only one of the projects recommended by the task force—the improvements at the historic site on Castle Hill. This has provided fewer than 50 jobs.

I would point out that the Argentia-Placentia area has a population of more than 7,000 people and a work force in excess of 1,000 of whom, today, approximately 300 are unemployed. We hear figures quoted with regard to unemployment. It is said the national figure is something over 6 per cent. Hon. members should realize that in the

area to which I am referring the unemployment rate is something like 30 per cent. The economic situation there has been aggravated by the fact that two or three years ago the government resettled a large number of fishermen and their families in this area. I believe 240 families were moved, probably involving about 1,000 people. This imposed an additional burden on the infrastructure of the area, particularly on the educational facilities.

Centralization is a responsibility of the Department of Regional Economic Expansion, and I contend that since the movement of people into this area imposed an intolerable burden on the educational facilities, to such an extent that the schools are overcrowded—500 children cannot obtain reasonable accommodation in them—the government has a responsibility to give the school authorities the means of making additional classrooms available to enable these children to get an education. At present, children are taught in the basements of buildings, in parish halls in the area and in other makeshift, temporary quarters.

A number of questions with regard to the Argentia phase-down and the promise by the government to institute a crash program have been unanswered. The Minister of Transport went to Newfoundland in July of 1970 and announced with a great deal of gusto a $2 million program for the area. This was to be a crash program. Seven months later there is very little evidence of the crash program announced by the hon. gentleman. That is typical. A task force was appointed by the government, but it did not take the logical step that should have been taken in a case like this and institute feasibility studies to determine the economic prospects of the area.

I feel this area of Newfoundland has a great future in that a number of industries could, with encouragement from the government and after the proper studies have been carried out beforehand, become viable. The industries of fishing, forestry, mining, tourism and transshipping, to mention but a few, could become viable in this area. I think the government has put the cart before the horse and that it should have initiated studies to determine the economic prospects of the area.

The Acting Speaker (Mr. Laniel): Order.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, having been a member of the Standing Committee on Regional Development and having had the privilege of visiting the Argentia area last May, I share with the hon. member for St. John's West (Mr. Carter) his sense of urgency about the need to alleviate conditions there. I do not believe he is correct in saying that the minister wished to convey the impression that there was a boom in the area; quite the contrary.

Before answering him more specifically, I ought to set the record straight with regard to responsibility. In so far as there is federal responsibility in regard to the resettlement program, or centralization program as it may be called, this federal responsibility is carried out by the Department of Regional Economic Expansion. But that is a different thing from saying that the responsibility for the program itself is a federal one. This is basically a provincial responsibility; the federal function is to assist.

The task force referred to is a task force agreed to by Canada, the United States, the province of Newfoundland and the Placentia Area Development Association. It is chaired by a senior official of the Department of Regional Economic Expansion. This task force has made two reports to the federal and provincial governments, in which recommendations were made for projects and measures to be carried out by the bodies represented thereon to alleviate the social conditions and serious loss of employment brought about by the curtailment of operations at the United States naval base at Argentia. I expect that the hon. member is referring to the second of these two reports, which was received by the governments early in December. It is essentially a review of the progress to date, with recommendations for further measures.

As the hon. member knows, in the first report emphasis was placed on short-term measures to be initiated as quickly as possible. The federal government, in July last, accepted the three main project proposals of the task force's first report and agreed to a federal expenditure of $1,625,000 for these three recommended federal projects. These projects are in various stages of construction or initiation, and the hon. member referred to them. Other joint or shared-cost programs to be proceeded with under ARDA were proposed in the first report. One, at least, of these projects has been started, principally the tourist chalet and park at Dunville, to cost $100,000. For these projects the province must submit applications for approval, as it has in several instances.

The Acting Speaker (Mr. Laniel): Order, please. I regret to interrupt the parliamentary secretary, but the time allotted to him by the rules of the House has expired.

Motion agreed to and the House adjourned at 10.30 p.m.

HOUSE OF COMMONS

Wednesday, January 13, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

HEALTH, WELFARE AND SOCIAL AFFAIRS

SECOND REPORT OF STANDING COMMITTEE

Mr. Steven Otto (York East): Mr. Speaker, as of this moment I still have the honour of presenting the second report of the Standing Committee on Health, Welfare and Social Affairs.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

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

* * *

POST OFFICE

LABOUR RELATIONS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I ask for the unanimous consent of the House to move a motion under Standing Order 43. I base my reason for so doing on the imminent threat of a series of rotating strikes in the Post Office Department similar to those which cost the economy of the country so dearly last spring and summer, and which are now being threatened by the bypassing of the union's national executive in dealing with current issues, in contravention of the minister's pledge when he took over his duties that he would improve labour relations within the department. I therefore move under Standing Order 43:

That the question of labour relations within the Post Office Department be referred to the Standing Committee on Labour, Manpower and Immigration for investigation and recommendation for correction in the national interest.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Prince Edward-Hastings. This motion requires the unanimous consent of the House. Does the House give unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimity, regretfully I have to advise the hon. member that the motion cannot be put at this time.

• (2:10 p.m.)

NATIONAL PARKS

WOOD BUFFALO—LOGGING WITHOUT REFORESTATION—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I should like to seek unanimous consent under Standing Order 43 to move a motion of urgent and immediate necessity which arises from the report that areas of Wood Buffalo National Park are being stripped of timber at an accelerating rate by logging companies, with no provision for reforestation, thereby doing almost irreparable damage to large areas of the park, which is a complete negation of the whole concept of the national parks trust. Therefore, Mr. Speaker, I should like to move, seconded by the hon. member for Kootenay West (Mr. Harding):

That immediate steps be taken to repatriate to the public realm all areas of Wood Buffalo National Park alienated under timber lease agreements, and that a program of reforestation be instituted in those areas already logged.

Mr. Speaker: Order, please. Hon. members have heard the motion proposed by the hon. member for Comox-Alberni under Standing Order 43. Is there unanimous consent that the motion be put?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimous agreement, the hon. member's motion cannot be put.

LOGGING PRACTICES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Frank Howard (Skeena): Mr. Speaker, I rise to deal with a matter under motions. Inasmuch as the government is not interested in repatriating—

Mr. Speaker: Order, please. The hon. member should indicate immediately what he has in mind. Under motions he can only have the floor for the purpose of moving a motion under Standing Order 43. If he proposes to do this he should indicate that intention to the Chair immediately. No debate can be allowed on the motion put forward earlier by the hon. member for Comox-Alberni.

Mr. Howard (Skeena): I was not seeking to enter into a debate, Mr. Speaker. For the valid and cogent reasons set out by the hon. member for Comox-Alberni, and inasmuch as the government is not prepared to accept that

proposal, may I, with the consent of the House, move the following motion under Standing Order 43:

That the subject matter of logging practices in national parks and in particular Wood Buffalo National Park, and government policies with respect thereto, including any agreements or other arrangements which might exist, be referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Speaker: I have some doubt as to the regularity of the motion proposed by the hon. member. Hon. members must realize that even under the terms of Standing Order 43 a motion before it is put to the House must be in order. I have the impression that the House has expressed its views regarding the matter raised by the hon. member for Comox-Alberni. It may be that this motion is somewhat different from the motion previously proposed by that hon. member, but I thought I should make these remarks to caution hon. members that under Standing Order 43 we should not have a series of motions dealing substantially with the same matter. Having said that, and hon. members having heard the motion to be proposed by the hon. member for Skeena asking that the matter be referred to a committee of the House, I have to inquire whether there is unanimous agreement.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I regret to advise the hon. member that there is not unanimity and therefore the motion cannot be put.

* * *

CANADA LABOUR (STANDARDS) CODE

AMENDMENT RESPECTING LAY-OFFS OF EMPLOYEES

Mr. Andrew Brewin (Greenwood) moved for leave to introduce Bill C-216, to amend the Canada Labour (Standards) Code.

Some hon. Members: Explain.

Mr. Brewin: Mr. Speaker, the purpose of this bill is to require that there be no lay-offs of persons employed in federal industries, where a person has been employed for one month, without six months' written notice, and no mass lay-offs of ten or more employees in such industries without six months' written notice.

The bill would recognize the property right of an employee in his job where he has not been guilty of wilful misconduct and would protect this right. There have been many recent examples in industries of mass lay-offs with inadequate notice—

Mr. Speaker: Order, please. I regret to interrupt the hon. member but he knows that under the terms of Standing Order 68(2)—would the hon. member kindly resume his seat—he can only give a very succinct explanation. He cannot argue his case. I have the impression he is launching into an argument. He should indicate briefly what the purpose of the bill is and not argue the merits of the bill at this time.

Mr. Brewin: I had come to the last sentence and was going to say that the bill would prevent the consequent disruption of the lives of employees and their families.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

SKEENA CONSTITUENCY STATISTICS

Question No. 221—**Mr. Howard (Skeena):**

1. What is the population in the constituency of Skeena with an indication of the date upon which such census or estimate was made?

2. What is the population of Indians, by census count or estimate, in the constituency of Skeena with an indication of the date upon which such census or estimate was made?

3. How many (a) male (b) female Indians in the constituency of Skeena have completed (i) grade 10 (ii) grade 12?

4. How many Indians are employed by the federal government in the constituency of Skeena?

5. How many Indians in the constituency of Skeena earn more than $3,600.00 per year?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Dominion Bureau of Statistics and the Department of Indian Affairs and Northern Development as follows: 1. The latest population count available for the Skeena constituency is that of the 1966 Census when the population amounted to 73,682.

2. Statistics maintained in the Department of Indian Affairs and Northern Development indicate that the population of Indians in the Constituency of Skeena as of December 31, 1969 was approximately 13,100.

3. Information is not available on the total number of Indians in the constituency of Skeena who have completed Grade 10 and Grade 12. Records indicate that during the past five years the following number of Indian students have completed grade 10 and 12. (a) (i) 15; (ii) 5. (b) (i) 13; (ii) 6.

4. There are 50 Indians employed in classified positions, and 33 Indians are employed on projects on a casual basis by the Department of Indian Affairs and Northern Development.

5. It is difficult to provide specific information in this regard. However, according to Survey conducted in 1969, approximately 1,019 Indians earned more than $3,000 of which approximately 720 Indians earned more than $4,000.

PANARCTIC OILS LIMITED—EXPLORATION AND DRILLING

Question No. 277—**Mr. Saltsman:**

1. Has Panarctic Oils Limited farmed out any of its land to other companies for exploration and drilling purposes and, if so (a) what companies (b) are they foreign or Canadian controlled?

2. What are the specific arrangements agreed to between Panarctic Oils Limited and the companies involved in the farm-out arrangement?

3. Has Panarctic Oils Limited agreed to any arrangements in exploration and drilling on land owned by other companies and, if so (a) what companies (b) are they foreign or Canadian controlled?

4. What specific arrangements have been agreed to between Panarctic Oil and the land-owning companies?

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. Yes, Sun Oil Company (U.S.A. controlled); B.P. Oil and Gas Ltd. (U.K. controlled); Deminex Canada Ltd. (West Germany controlled).

2. The specific details and terms of the agreements have not been officially disclosed, and are not on record in the Department.

3. Yes. Canadian Homestead Oils Limited (Canadian); Troy Oils Ltd. (Canadian); Toltec Mines Ltd. (Canadian).

4. The permits held by these companies were assigned directly to Panarctic Oils Ltd. by unconditional transfer, and details of agreements leading to the transfers were between the companies concerned and have not been officially disclosed.

PUBLIC SERVICE—POSITION OF MR. PERRY ANGLIN

Question No. 389—**Mr. Coates:**

1. Has Mr. Perry Anglin left the position of Executive Assistant to the Minister of Consumer and Corporate Affairs and, if so (a) has he entered the federal Public Service (b) in what capacity and in which department (c) at what level and salary?

2. Did he enter and win a Public Service competition for this position and, if not, what was the basis for his appointment?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. Yes. (a) Yes. (b) He has been appointed to the Department of Consumer and Corporate Affairs and selected for a special 10-month course at the United Kingdom Treasury. (c) Administrative Services Level 7, Salary range $17,400-$19,800.

2. Mr. Anglin was appointed by the Public Service Commission by a process of selection other than competition as provided for by Section 10 of the Public Service Employment Act. Mr. Anglin was interviewed by a duly constituted Selection Board of the Public Service Commission on July 13, 1970.

Questions

[*English*]

NATIONAL FILM BOARD PUBLICATION "CHALLENGE FOR CHANGE"

Question No. 461—**Mr. Downey:**

1. What is the total circulation of the National Film Board publication "Challenge for Change"?

2. How often is it published?

3. What is the annual budget for the publication?

4. Is there a full list in each issue of the films available on loan or rental from NFB with a short explanation as to the content of the films and, if not, for what reason?

5. Are lists published in each issue of selected films rather than a full list and, if so, who makes the selections?

6. Is the publication used in any way to reflect the views of NFB management (or other NFB personnel) with regard to desired channels of social expression?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows: 1. 25,000 copies.

2. Irregularly: 1969-1970, one issue; 1970-1971, three issues.

3. 1970-1971, $10,000.

4. No. The purpose of the newsletter is to review the activities of the program.

5. Lists, with short explanations as to the content of the films, appear in the NFB's film catalogue, and information is available at any of the NFB offices.

6. The newsletter reflects the philosophy and activities of the program which is carried out by the NFB under the direction of the Interdepartmental Committee for the Challenge for Change—Société Nouvelle.

[*English*]

ARGENTIA NAVAL BASE

Question No. 498—**Mr. Carter:**

Has the government made representations to the United States Government with a view to having certain recently vacated buildings, facilities etc. owned by that Government and situated at the Argentia Naval Base made available for use by the Government of Canada, the Newfoundland provincial Government or private interest and, if so, when were representations made and what were the results?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The government has not made representations to the United States government on this subject but the matter has been discussed with U.S. officials by representatives of federal and provincial departments. These discussions have not yet indicated that there are any available buildings or facilities which could readily be put to productive use, although further studies of long-term development prospects are being made.

SALT COD FISH PRODUCTION

Question No. 588—**Mr. Carter:**

What was the total production of salt cod fish in (a) Newfoundland (b) the other Atlantic Provinces for the years 1967-68-70?

Questions

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry):

	(A) (Light dry basis equivalent)	(B) (dry basis equivalent)
1967	48,400,000 lb.	21,400,000 lb.
1968	39,600,000 lb.	19,700,000 lb.
1970	21,400,000 lb.	16,600,000 lb.

(end Oct. only)

STATUTORY AUTHORITY WITH RESPECT TO URANIUM INDUSTRY

Question No. 592—**Mr. Orlikow:**

1. Did the Honourable the Prime Minister state on November 20, 1970 that there was statutory authority to cover the action taken by the government with respect to the Denison Mines and, if so, under which statute was such action taken?

2. Is it the intention of the government to bring in special legislation regarding the foreign ownership and control of the Uranium industry?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Prime Minister's and Privy Council Offices and by the Department of Energy, Mines and Resources as follows: 1. Presumably the reference in the question to action taken by the government with respect to Denison Mines concerns the declaration on March 2, 1970 of the government's intention to prevent the transfer to non-Canadian hands of control of this company, if necessary by introducing an amendment to the Atomic Energy Control Act to take effect as of that date. On November 20, 1970, addressing the Liberal Policy Convention in Ottawa, the Prime Minister said in part: "We had on our statute books under the constitution the power to do something about the uranium industry because, as you know, it has been declared to be under federal jurisdiction and we had in our statutes something which permitted us to make the decision we did last spring concerning Denison Mines, to prevent the majority of our uranium resources from—the largest part of our uranium resources—from going into foreign control." This statement drew attention to two facts relevant to the government's declared intention: (a) The Atomic Energy Control Act as in force at that time might provide statutory authority for giving effect to the government's intention. (b) If not, the federal government had jurisdiction, as evidenced by that Act, to legislate with respect to the uranium industry.

2. Yes.

*CENSUS COMMISSIONERS AND CENSUS TAKERS

Question No. 613—**Mr. Korchinski:**

1. What method will be used to select the Census Commissioner for each division in the forthcoming census?

2. What method will be used in selecting the Census takers?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the answer to the first part of the question is that the commissioners for the 1971 census will be appointed under the authority of the Statistics Act by the Minister of Industry, Trade and Commerce.

The answer to the second part of the question is that the commissioners will select, on behalf of the minister, the census takers (enumerators) required in their respective census districts.

ENERGY—TRANS-CANADA PIPELINE AND REQUIREMENTS OF ONTARIO AND QUEBEC

Question No. 619—**Mr. Thomson:**

1. At what percentage of capacity does the Trans-Canada gas pipeline operate?

2. What percentage of the energy requirements (heat, light, power) of Ontario and Quebec are supplied by (a) natural gas (b) oil (c) coal (d) water power (e) atomic energy?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): In so far as National Energy Board is concerned: 1. Percentage capacity related to the ratio of the actual gas volume transported in the pipe line to its capability between the Alberta-Saskatchewan border and Toronto is approximately 98 per cent for the contract year from November 1, 1969 to October 31, 1970.

2.	Ontario	Quebec
(a) Natural Gas	21.7 per cent	4.6 per cent
(b) Petroleum	46.3 per cent	73.5 per cent
(c) Coal	23.7 per cent	3.7 per cent
(d) Hydro Electricity	8.2 per cent	18.2 per cent
(e) Nuclear Electricity	0.1 per cent	NIL

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

PRICES AND INCOMES COMMISSION PERSONNEL

Question No. 53—**Mr. Orlikow:**

Who are the employees and staff of the Prices and Incomes Commission, and in each case (a) what was each employee's salary or wage in his previous employment (b) what was the former source of employment, i.e. public service, university, industry, etc. (c) what was the exact date of commencing work for the Commission (d) what salary or wage was offered and accepted by each employee when joining the Commission (e) what was the percentage increase or decrease in salary levels compared to his former source of employment (f) what salary or wage increases, if any, in amounts and percentage increases were received by the employees, and the reasons for such increases (g) what employees were hired on a contract basis and, in each case, what is the time limit and specific provisions regarding basic salary and future increments?

Return tabled.

COMPLAINTS REGARDING MISLEADING ADVERTISING

Question No. 98—**Mrs. MacInnis:**

1. For the fiscal year 1969/70, how many complaints were received by the Department of Consumer and Corporate Affairs regarding misleading advertising in Canada?

2. How many of these complaints were subject to an investigation by the Department?

3. In each case, what were the results of the investigation and what were the criteria used by the Department regarding further action in the courts?

4. How many complaints did the Department send to the Department of Justice for prosecution?

5. How many prosecutions did the Department of Justice undertake and, in each case, what was the result?

Return tabled.

PUBLIC WORKS—CONTRACT COVERING CONSTRUCTION OF POSTAL STATION VANIER

Question No. 474—**Mr. Paproski:**

1. Were tenders called for contract 9C-05735 covering construction of Postal Station Vanier and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

Return tabled.

PUBLIC WORKS—CONTRACT COVERING ALTERATIONS TO LANGUAGE CENTRE, CARSON'S ROAD

Question No. 477—**Mr. Paproski:**

1. Were tenders called for contract OC-00154 covering alterations to Building "D", Phase 2, The Language Centre, Carson's Road, and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

Return tabled.

[*Translation*]

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notice of motion No. 172 is acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the governments concerned.

[*English*]

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary is it the pleasure of the House that motion 172 be deemed to have been adopted?

Some hon. Members: Agreed.

SOUTHEY, SASKATCHEWAN—MAIL SERVICE CONTRACT

Motion No. 172—**Mr. Burton:**

That an Order of the House do issue for a copy of all correspondence and other documents concerning the tender and contract for mail service on R.R.1, Southey, Saskatchewan, and other correspondence and documents concerning the operation of said mail service since its inception.

Motion agreed to.

[*Translation*]

Mr. Jerome: Mr. Speaker, would you be so kind as to call notices of motions Nos. 11, 14, 15, 19, 41, 73, 81, 94, 109, 110 and 165?

[*English*]

PRIMARY DISTRIBUTORS OF GOVERNMENT OF CANADA SECURITIES

Motion No. 11—**Mr. Saltsman:**

That an Order of the House do issue for a copy of a list of (a) the approximately 200 primary distributors of Government of Canada marketable securities, and (b) the primary distributors who are at present eligible to enter into purchase and resale agreements with the Bank of Canada, as mentioned in answer to Question Number 65 and reported in *Hansard* of December 17, 1969, at page 2067.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move the motion on behalf of the hon. member.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, in reply to a similar motion during the last session it was explained that publication of these lists as at a certain date could lead to unfair reflection on a firm which happened to be omitted at that particular time, that it could be prejudicial to the banker-client relationship involved and that it was not considered in the public interest to publish the lists requested. In the circumstances, it is hoped that the hon. member will agree to withdraw the motion.

Mr. Knowles (Winnipeg North Centre): Transfer for debate.

Mr. Speaker: Transferred for debate.

AUTOMOBILE MANUFACTURERS—CORRESPONDENCE PROVIDED BY UNITED STATES ON ANTI-COMBINE MATTERS

Motion No. 14—**Mr. Saltsman:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence, memoranda, etc., provided to the Department of

Consumer and Corporate Affairs by the United States Justice Department on anti-combines matters related to auto manufacturers and a conspiracy to delay development of anti-smog devices.

Mr. Knowles (Winnipeg North Centre): I move this motion on behalf of the hon. member.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): It would not be in the public interest to disclose confidential communications between my department and the United States justice department relative to anti-combines matters because such disclosure would prejudice inquiries in either or both countries. In the circumstances, therefore, I would ask the hon. member to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): I am sure the hon. member would not like to have his motion withdrawn.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

STUDIES ON IMPACT OF DEFERRED CAPITAL ALLOWANCES, AIR FARE TAXES, ETC.

Motion No. 15—**Mr. Saltsman:**

That an Order of the House do issue for copies of the studies on the impact of deferred capital allowances, taxes on air fares, speed-ups, in bringing about the final three stages of the Kennedy Round tariff reductions and any other reports, studies, or reviews etc. prepared for the June Budget brought down by the Minister of Finance.

Mr. Knowles (Winnipeg North Centre): I move this motion on behalf of the hon. member.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the last spring budget was brought down in March of 1970; the budget to which the motion refers must have been that of June, 1969. In both instances, budget papers were tabled. Other papers, reports, reviews, etc., were internal memoranda prepared by officials for the consideration of ministers. It has not been the practice and is not considered to be in the public interest to make such confidential communications public. In the circumstances, I hope the hon. member will withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

STUDY ON EFFECTS OF CANADA-U.S. WAGE PARITY UPON COST STRUCTURE OF CANADIAN AUTOMOTIVE INDUSTRIES

Motion No. 19—**Mr. Saltsman:**

That an Order of the House do issue for a copy of the study by economist David F. Smith of the Mechanical Transport Branch, Department of Industry, Trade and Commerce on "The Effects of Canada-United States Wage Parity Upon the Cost Structure of the Canadian Automotive Industries".

[Mr. Saltsman.]

Mr. Knowles (Winnipeg North Centre): I move this motion on behalf of the hon. member.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member will recall that in response to his previous motion the Minister of Industry, Trade and Commerce was unable to comply with his request as the study in question is an internal departmental document containing information received in confidence from the industry and therefore cannot be tabled. I would ask the hon. member to kindly reconsider and withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Question.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

CORRESPONDENCE BETWEEN CANADA AND UNITED STATES ON "MANHATTAN" PROJECT

Motion No. 41—**Mr. Thomson:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence between the Department of External Affairs and the United States Government in relation to the *Manhattan* project.

[*Translation*]

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, this material is part of confidential communications between governments and cannot, therefore, be made public. In the circumstances, I wonder if the hon. member would agree to withdraw his motion.

[*English*]

Mr. Thomson: Question.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

CONSULTANT REPORT ON DATA ON SUBSIDIARIES

Motion No. 73—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by H. R. Kemp on data on subsidiaries in Canada undertaken for the Department of Industry, Trade and Commerce for the fiscal year 1966-67, as mentioned in answer to Question Number 1,323 of the 1st Session of this Parliament.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the Minister of Industry, Trade and Commerce hopes that the hon. member will again reconsider his request for this study in view of the circumstances described previously by the minister. The hon. member will recall the minister's response that the consultant had passed away during the time he was commissioned to conduct the study and that the report is in a draft form, he would ask the hon. member to withdraw his request.

Mr. Skoberg: I think that the draft study may contain some information or data regarding subsidiaries in

Canada. If that can be provided, I would be satisfied to receive it.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

STUDY OF PERSONS WHO RECEIVED GRANTS UNDER THE MANPOWER MOBILITY PROGRAM

Motion No. 81—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Kates, Peat and Marwick, Company, a study of persons and families who have moved and received grants under the Manpower Mobility Program, undertaken for the Department of Manpower and Immigration, in the fiscal year 1967-68, as mentioned in Question Number 1,323 of the 1st Session of this Parliament.

[*Translation*]

Mr. Chas. L. Caccia (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, we think the hon. member for Moose Jaw is prepared to withdraw his motion.

[*English*]

Mr. Skoberg: Yes, Mr. Speaker. Since the department's heart has softened to the extent of supplying me with a copy, I withdraw the motion.

Mr. Speaker: The motion is withdrawn.

Order discharged and motion withdrawn.

REPORT ON LOBBYING

Motion No. 94—**Mr. Mather:**

That an Order of the House do issue for a copy of the report on Lobbying prepared for the Minister of Consumer and Corporate Affairs.

Mr. Knowles (Winnipeg North Centre): I move this motion on behalf of the hon. member.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The reply is the same as that given to a nearly identical motion made in the last session. The material is part of a continuing study which was never intended for other than internal use by officials of my department and me. In view of this, I would ask the hon. member to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): In the name of participatory democracy I ask that the question be put.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

INTERDEPARTMENTAL COMMITTEE REPORT ON APPLICABILITY OF METRIC SYSTEM

Motion No. 109—**Mr. Peters:**

That an Order of the House do issue for a copy of the interdepartmental committee report on the applicability of metric measurement in Canada as mentioned in answer to Question Number 2,706 as reported in *Hansard* on October 22, 1969, page 11702.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): I wish to inform the hon. member that the report of the interdepartmental committee is a report to ministers which includes recommendations and is in consequence an internal memorandum and thereby privileged. The white paper on metric conversion tabled last January sets forth the conclusions of the government. In view of this, I wish to repeat my request of January 21 last and ask the hon. member to withdraw his request.

Mr. Peters: Question.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

GOLD MINING—POLICY RESPECTING GRANTS

Motion No. 110—**Mr. Peters:**

That an Order of the House do issue for a copy of the study on gold mining operations undertaken in the Department of Energy, Mines and Resources as mentioned by the Minister of Energy, Mines and Resources and reported in *Hansard* of January 23, 1970, at page 2738.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Minister of Energy, Mines and Resources that the study called for in this motion is an internal working document used by departmental officials for the purpose of investigating the alternative courses of action with respect to extension or termination of the Emergency Gold Mining Assistance Act. Because of the confidential nature of the document, and in view of the evidence presented to the Standing Committee on National Resources and Public Works during its consideration of Bill C-4, an Act to amend the Emergency Gold Mining Assistance Act, I believe the hon. member has indicated his agreement to withdraw the motion.

Mr. Peters: Yes, Mr. Speaker.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

ECONOMIC STUDY REGARDING DEVELOPMENT OF IRON ORE DEPOSITS ON BAFFIN ISLAND

Motion No. 165—**Mr. Saltsman:**

That an Order of the House do issue for a copy of the economic study undertaken in the Department of Indian Affairs and Northern Development regarding the development of iron ore deposits on Baffin Island.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member.

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member has requested a copy of the economic study regarding the development of iron ore deposits on Baffin Island. The material involved has been developed as background for discussions to be held between the federal government and Baffinland Iron

Mines Limited to determine the nature of possible federal assistance to the company. As such it would not be in the public interest to release the papers concerned. Under the circumstances I would hope that the hon. member would withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in my view the public interest calls for the motion to be put.

Mr. Speaker: Is it the wish of the House that the motion be put?

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

[*Translation*]

Mr. Jerome: Mr. Speaker, I ask that the remaining notices of motions be allowed to stand.

[*English*]

Mr. Speaker: Shall the remaining Notices of Motions stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

POSSIBLE WITHDRAWALS FROM COMMONWEALTH—REPORTED STATEMENT BY PRIME MINISTER—CANADIAN POSITION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Prime Minister based upon the serious statement reported to have been made by the Prime Minister in Singapore to the effect that if a number of other countries withdraw from the Commonwealth perhaps Canada will also do so to prove its purity. Can the Acting Prime Minister advise if it is Canadian policy to depart from the Commonwealth by reason of the reduction of membership in that organization and, if so, can he advise the number of departees which would be required to prompt such withdrawal action by this country?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, it is the purpose of this government, and certainly it has been the purpose of the Prime Minister in recent weeks, to reinforce the unity of the Commonwealth.

Mr. Macquarrie: Mr. Speaker, can the House and the country be assured by the government that Canada's membership in organizations in which it once served usefully will not be withdrawn by Prime Ministerial fiat but only after discussion in this parliament?

Mr. Sharp: Mr. Speaker, I do hope, and I am sure the hon. member agrees with me, that there will be no withdrawals from the Commonwealth on this occasion but, as the Prime Minister said, if the Commonwealth were to fall apart then I do not think the hon. member would suggest we should remain.

[Mr. Buchanan.]

Some hon. Members: Oh, oh!

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I would hope that the Secretary of State for External Affairs would not be facetious on a matter such as this. Will he repudiate once and for all the egregious nonsense that is reported to have been uttered by the Prime Minister, or is this another step in the erosion of our relations within the Commonwealth?

Mr. Sharp: Mr. Speaker, the most egregious nonsense I read yesterday was a statement by the right hon. member for Prince Albert.

Mr. Diefenbaker: Mr. Speaker, I now ask the Acting Prime Minister to repudiate this frightful statement which indicates that the government would act without regard to the wishes of the Canadian people in order to bring about the end of the Commonwealth.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

RUSSIAN NAVAL PENETRATION OF INDIAN OCEAN

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a supplementary question to the Acting Prime Minister. Is it the government's view, when arriving at its policy concerning the supplying of naval arms to South Africa by the United Kingdom, that Soviet naval penetration of the Indian Ocean is of little or no consequence to the political and military balance of the world?

Mr. Speaker: Order, please. The hon. member is directing his question in a general way. He is inviting the Acting Prime Minister or the minister speaking on behalf of the government to express an opinion. I would not think that the question as asked is in order. The hon. member may wish to rephrase it.

Mr. Nesbitt: I am sorry, Your Honour, if it seemed to be a vague question. I thought it was a direct question. May I put it this way: is it the government's view that the Soviet military penetration of the Indian Ocean is of no consequence to the world's political and military balance?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I do not know whether I quite understand the implication of the question.

Some hon. Members: Oh, oh!

Mr. Sharp: Is the hon. gentleman intending to suggest that we should not comply with the Security Council resolution on the supply of arms to South Africa?

An hon. Member: Answer the question.

Mr. Speaker: Order, please.

Mr. Nesbitt: Mr. Speaker, I am sorry if the Acting Prime Minister is incapable of understanding simple English. Would he answer the question, and not do what his former colleague, Mr. Gardiner, used to do? When he was asked about milk, he would answer about cheese.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

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POST OFFICE

ALLEGED DECENTRALIZATION OF OPERATIONS—SUGGESTED MEETING OF MINISTER AND UNION OFFICIALS—ADJUDICATION OF DISPUTES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Postmaster General which arises out of statements by the officials of the Letter Carriers Union indicating the possibility of wildcat strikes across the country. In view of the complaint of the union that there has been decentralization in the Post Office without the union being consulted, resulting in actions being taken regarding hours of work, load limits and transportation in violation of the collective agreement, may I ask the minister whether he has had any consultations with the national executive of the Letter Carriers Union? If not, will he undertake to meet with them in order to prevent a repetition of the rotating strikes we experienced last year?

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, may I say first that I read the statement which was issued yesterday by the Letter Carriers Union. On the second page I see that they say they do not want repetition of what happened in the May to August, 1970, period. So I think that some newspapers have misinterpreted what the union said.

There have been consultations, Mr. Speaker, on most or all of the items involved, and the department admits that the decentralization of the Post Office administration creates certain problems. Many problems will have to be solved at the local level. I was told that all the decisions that will have a national implication will be discussed or have been discussed at the national level. I therefore feel very sorry that such a statement has been issued, especially when we are trying to bring back confidence in the Post Office and when we are trying to improve service.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, although the minister may feel sorry that the statement has been issued, the fact is that it has been issued and it indicates a very serious situation.

Mr. Speaker: Order, please. I suggest to the hon. member that he is entitled under the rules to ask a supplementary question and he should do so without commenting on the minister's reply.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the very serious charge that has been levelled by the union against the minister's department, may I repeat my request. Will the minister himself undertake to meet with the officials of the union in an endeavour to straighten out the difficulties, which he says he regrets, in order to prevent a repetition of the type of strikes we experienced last year?

Mr. Côté (Longueuil): Mr. Speaker, I have already had many meetings with Union officials, and especially with Mr. Decarie last month. I was surprised that an official communiqué was issued, because we had long meetings. While this communiqué was being issued the president of the association was meeting with the director of personnel. He met with him twice last week, once on Monday and Tuesday of this week. This morning he was in the Deputy Minister's office at 8.30. I have said repeatedly that they are welcome to speak to me any time they wish. There have been certain accusations that the contract between the union and the department has been broken. I am having those accusations reviewed. We will certainly look at them and might have to make corrections. Right now I am asking my officials to give me all available information regarding the matter.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a supplementary question either to the Acting Prime Minister or to the President of the Treasury Board. In view of the situation which has arisen in the Post Office and can arise from time to time with respect to alleged violations of existing agreements, does the government propose to set up any machinery to adjudicate on alleged violations of agreements which exist between various departments of government and the employees concerned in order to prevent repetitions of the type of situation which has existed in the Post Office and now threatens to arise again?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I think the House is very well aware of the most satisfactory services provided by the Public Service Staff Relations Board in this respect. Its task is to adjudicate on matters in dispute between the employees and the employer in the government service.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a supplementary question to the minister. Since he pledged, when he took over his new duties, that he would do everything in his power to improve employer-employee relations within the Post Office Department and since members of the union's national executive are now reported to be saying that employer-employee relations are considerably worse than they were under his predecessor, will he look into this matter and get it straightened out so that we will not experience serious rotating strikes such as we had last spring and summer?

Mr. Coté (Longueuil): Mr. Speaker, I can assure the hon. member that this matter will be straightened out. I can say that there have never before been so many consultations between department and union officials at the national level and at the local level.

Mr. R. E. McKinley (Huron): Mr. Speaker, may I direct a supplementary question to the President of the Treasury Board. I wonder if it is not possible for the minister to do something about those people who are marching on Parliament Hill every day? Not only is it extremely cold outside but surely we do not have to have people marching on Parliament Hill every day of the year.

Inquiries of the Ministry

[*Translation*]

AIR CANADA

INQUIRY RESPECTING LOAN OBTAINED IN GREAT BRITAIN

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to address a question to the hon. Minister of Transport.

Yesterday the minister said that Air Canada had borrowed some 30 and a half million dollars in Great Britain in exchange for Rolls Royce engines. Did the minister try to get back from Britain before the apparently imminent collapse of the Commonwealth 30 and a half million dollars as part repayment of the amount of more than two billion dollars it owes us since the second World War?

[*English*]

Mr. Speaker: Order, please.

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FINANCE

REPRESENTATIONS FROM OTTAWA—CARLETON REGIONAL GOVERNMENT RESPECTING FINANCIAL ASSISTANCE

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Finance. Could the minister tell us if the government, either through him or through the Minister without Portfolio responsible for the National Capital Commission, has received from the government of Ontario, directly or indirectly, representations from the Ottawa-Carleton regional government concerning an upward revision of municipal grants so as to assist in the very serious financial problem that the greater municipality of Ottawa-Carleton is facing?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, no such representations have come to my attention.

Mr. Lambert (Edmonton West): Would the minister say whether the government would be prepared to listen to representations in this regard, since the matter concerns the whole of the national capital area?

Mr. Speaker: Order, please. The hon. member will appreciate that the question to some extent is hypothetical in view of the minister's reply.

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ADMINISTRATION OF JUSTICE

MEASURES TO RESTRICT ACQUISITION OF WEAPONS BY CRIMINALS

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to have directed my question to the Minister of Justice but, in his absence I shall direct it to the Acting Prime Minister. In view of the fact that our laws to control possession of handguns and concealed weapons have not prevented criminals and so-called urban guerillas from acquiring whole arsenals of deadly weapons, is the government giving consideration to taking further restrictive measures to curb the proliferation of weaponry which is seriously threatening our society?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, answering on behalf of the Minister of Justice, I will take the question as notice.

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WATER RESOURCES

INQUIRY AS TO INCREASE IN RIVER PROTECTION PERSONNEL

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. In view of the widespread concern about the conservation and protection of our environment and our resources, can the minister say whether he plans to increase the number of personnel in our river protection services following the drastic reduction of last year?

Mr. Speaker: I would think this question should be placed on the Order Paper, but I may be wrong; perhaps there is an urgency which is not readily apparent. If there is urgency the hon. member might wish to raise the question at the time of the adjournment and have an opportunity to make a longer statement then.

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FINANCE

MERCANTILE BANK—REQUEST FOR STATEMENT ON NEW ARRANGEMENT RESPECTING CANADIAN OWNERSHIP AND INCREASE IN CAPITALIZATION

Mr. David Lewis (York South): May I direct a question to the Minister of Finance which in his absence last Monday I asked of the Acting Prime Minister. Would the minister undertake to make a statement on motions to inform the House more fully—I realize a press release has been issued—concerning the new arrangements which he and the governmemnt have made with the Mercantile Bank regarding a fourfold increase in its capitalization and consequently a fourfold increase in the business it may carry on, and requiring that the holdings by the First Citibank of New York—

Mr. Speaker: Order. It seems to me the hon. member is making a statement himself. It is my understanding he asked the minister to indicate whether a statement would be made by him. Perhaps the form of the question is a little lengthy.

Mr. Lewis: I am sorry it is a little lengthy. I wanted to make sure the minister would deal with all the matters involved in the question.

Hon. E. J. Benson (Minister of Finance): The press release which was tabled in the House explains the situation. It is simply a situation in which the Mercantile Bank is applying for an increase in capital as it is entitled to do under the Bank Act. We, as a government, have indicated we shall not authorize an increase in capital unless they move to a large degree of Canadian ownership and guarantee that this will happen.

Mr. Lewis: I understand the minister is refusing to make a general statement.

Some hon. Members: Oh, oh!

Mr. Lewis: In view of the fact that as soon as the Mercantile Bank reaches the 25 per cent target in foreign ownership it will be able to increase its business without statutory limitation and in view of the fact that 25 per cent ownership would place complete control in the hands of a giant foreign bank, would the minister consider making a statement to the House to explain why it is necessary to expand foreign ownership in so critical an area in Canada as banking?

Mr. Benson: What is really happening is that the last bank in Canada which is owned by foreigners is going to be 75 per cent Canadian-owned ten years from now.

Some hon. Members: Hear, hear!

Mr. David MacDonald (Egmont): In light of the generous and extraordinary provisions accorded to the Mercantile Bank, can the minister indicate what particular benefits are being offered by the bank to Canadians in return?

Mr. Benson: There are no generous benefits at all. Any bank can ask for authorization of an increase in capital. As a matter of fact, no bank has ever been refused such an application by a minister of finance. What is happening here is that rather than merely approve an increase in capital we have asked for a guarantee from the Mercantile Bank that they will move toward 75 per cent Canadian ownership within ten years before they can get it.

Some hon. Members: Hear, hear!

* * *

[*Translation*]

POST OFFICE

STATUS OF NEGOTIATIONS WITH FORMER EMPLOYEES OF G. LAPALME INCORPORATED

Mr. Henry Latulippe (Compton): Mr. Speaker, I wanted to ask a question from the hon. Minister of Labour but since he is not here, I shall ask it from the Minister without Portfolio responsible for the Post Office Department.

The former employees of G. Lapalme Inc. are still marching in front of the Parliament Buildings today and this has now been going on for several weeks. Would the hon. minister tell the House and the population of Canada how long this is expected to last? Why not come to a satisfactory settlement with this group of taxpayers who are pleading democratically and peacefully for the government's consideration?

Is it necessary—

Mr. Speaker: Order. I am sorry to interrupt the hon. member but my impression is that this question was asked yesterday, that it was reiterated a short while ago by the hon. member for Huron (Mr. McKinley), and that, moreover, it has been answered by the minister.

Inquiries of the Ministry

[*English*]

EXTERNAL AFFAIRS

REUNITING OF SPOUSES AND IMMEDIATE FAMILIES

Mr. Stanley Haidasz (Parkdale): I should like to ask the Acting Prime Minister whether the government has taken any new action following recent representations about the urgent need to reunify spouses and immediate families? I should also like to ask whether the Secretary of State for External Affairs has replied to requests arising from the recent events in Poland?

Hon. Mitchell Sharp (Acting Prime Minister): The government has been actively engaged in trying to reunite Canadians with their families from eastern Europe. We have never given up in our efforts. We continue on almost a daily and weekly basis. We are now looking at the situation in Poland to see whether there is anything useful we can do.

ALLEGED BLACKMAILING TACTICS AGAINST FORMER CZECHOSLOVAKS NOW RESIDING IN CANADA

Mr. Robert C. Coates (Cumberland-Colchester North): I should like to ask the Secretary of State for External Affairs whether the blackmailing tactics used on Czechoslovaks who came to this country after the insurrection there have come to his attention and whether his department is taking any action to assist these people in the face of these blackmailing tactics by the government of that country?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I take it the hon. member is referring to some recent letters which have come from Czechoslovakia. Tonight in Toronto a meeting is being held at which a number of government officials will be meeting with members of the Czechoslovak-Canadian community to discuss the best way of dealing with this situation. I can assure the hon. member we have this very actively in hand.

* * *

LABOUR RELATIONS

SETTLEMENT OF DISPUTE BETWEEN SEAFARERS' INTERNATIONAL UNION AND CANADIAN LAKE CARRIERS ASSOCIATION

Mr. S. J. Korchinski (Mackenzie): I have a question for the Minister of Labour or, in his absence, for his Parliamentary Secretary. Can the hon. gentleman inform the House and the country as to the state of the negotiations between the various unions and the Lakehead Terminal Elevators Association.

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): If the hon. member is referring to the Canadian Lake Carriers Association and the dispute with the Seafarers' International Union, I have some information on that subject. G. R. Doucet, the conciliation officer in this dispute, has just wired to say that an agreement was reached between the parties at 5.30 a.m. this morning. Details of the settlement are to follow.

Some hon. Members: Hear, Hear!

Inquiries of the Ministry

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—AMOUNT OF PAYMENTS FOR FORAGE

Mr. J. H. Horner (Crowfoot): My question is addressed to the minister in charge of the Wheat Board. Has the government any other forage program than the one under Lift and how much money does the government estimate will be spent for forage development under the Lift program?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I do not have a complete statistical breakdown concerning the amount of forage applied for under Lift and the payments which will be made under that program, although preliminary indications are that it will be fairly close to the original target figure. The earlier part of the hon. member's question may refer to the future plans which were indicated in the proposals tabled in the House on October 28. I presume he has those clearly in mind.

Mr. Horner: What was the earlier target figure for the forage part of Lift?

Mr. Lang: We spoke of about two million acres.

Mr. Horner: I rise on a question of privilege. The minister has given figures at this time and at other times in the House of Commons with regard to forage expenditure under Lift and the total expenditure under Lift. In a recent article in a magazine issued in January, 1971, in the course of a question and answer series he stated categorically that there would be $80 million paid under Lift in respect of wheat and $40 million in respect of forage.

Mr. Speaker: Order. I have to bring it to the attention of the hon. member that though he may have a point of debate with the minister as to what the facts are I doubt very much that this can be considered a question of privilege. It is essentially a matter of debate and I do not think it can be raised now as a question of privilege.

Mr. Horner: On a point of order concerning my question of privilege, Mr. Speaker, the minister has on different occasions stated what would probably be paid in connection with the forage part of Lift and on one occasion in January of this year, as found in the magazine to which I have referred, he stated that $40 million would be paid under Lift. This is a direct deception, a deliberate—

Mr. Speaker: Order, please. The hon. member for Timiskaming.

Mr. Horner: Ten o'clock.

Some hon. Members: Oh, oh!

* * *

CANADIAN NATIONAL RAILWAYS

TORONTO—WINNIPEG PASSENGER SERVICE REDUCTION—OPPORTUNITY FOR REPRESENTATIONS BY PUBLIC

Mr. Arnold Peters (Timiskaming): I have a question for the Minister of Transport. In view of the announcement that the CNR intends to remove trains Nos. 7 and 8 as of January 31, will the minister provide an opportunity for the users of these services to be heard at a public hearing before the removal of these passenger trains is permitted?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I believe the hon. member knows that the decision as to a public hearing or no is not one for the minister to make. However, I did indicate to the House some time ago the communication that I had received from the Canadian Transport Commission to the effect that there would be no train withdrawals without a public hearing, and I assume that that will apply in this case.

Mr. Peters: In view of the fact that the general manager has now circulated to members concerned the new train schedule, will the minister look into the matter and see that the decision of the board is implemented in the form of a hearing?

* * *

AIR CANADA

REDUCTION IN NUMBER OF OTTAWA EMPLOYEES—UNION REQUEST FOR MEETING WITH MINISTER

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Transport and has to do with the orders that have been issued for a reduction in the work force in Ottawa of airline employees to the extent of 33 per cent. Representations have been made by the airline employees. Indeed, a series of questions have been asked by them which appear to be reasonable and ought to be answered. Have they made a request to the minister, in whom they have a great deal of trust, to meet with the minister so that they may secure from him the answers to these ten questions and others? This would do a great deal for the morale of the employees—

Mr. Speaker: Order, please. The right hon. gentleman has asked a question and I am sure the minister is prepared to reply to it at this time.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as a result of earlier questions on this or a related subject posed, I believe, by the hon. member for York South, I got in touch with Air Canada subsequent to yesterday afternoon's session. In the first instance I was advised that they are meeting with the union, today, I believe. I also asked the officials of Air Canada to meet with me on Monday of next week so I may at least have a full briefing in preparation for the statement that I undertook to make as early as possible.

Mr. Diefenbaker: Mr. Speaker, I think that indicates that the statement I was about to make has some basis in fact, namely, that the members of the union want a meeting with the minister. They want to talk with him—

Mr. Speaker: Order, please.

Mr. Diefenbaker: I would ask the minister whether he would so meet them.

Mr. Hees: A supplementary question.

Mr. Speaker: Order, please.

Mr. Diefenbaker: Mr. Speaker—

Mr. Speaker: Order. I appreciate that the right hon. gentleman has a supplementary, and I observe that the hon. member for Prince Edward-Hastings also has a supplementary. However, I have to bring to the attention of hon. members that we will shortly be running out of time, and I count on their co-operation. The right hon. member for Prince Albert.

Mr. Diefenbaker: Mr. Speaker, I now ask the minister whether, in order to assist in keeping up the morale of the airline employees, he himself will meet them? They do not want to meet with the officials of Air Canada because they get no consideration from them.

Mr. Speaker: Order, please.

Mr. Diefenbaker: The minister will not answer.

Mr. Jamieson: Mr. Speaker, I think I got the gist of the question. I would be very pleased to meet with any group that—

Mr. Diefenbaker: I am asking the minister to meet with the union.

Mr. Jamieson: I wish the right hon. gentleman would let me answer his question because I would be glad to. I said I would be happy to meet with any group, but the question is whether it would be more appropriate, as I indicated earlier, for them to meet with the company first. To this moment, to my own personal knowledge I have not had a request for a meeting with the union. It may have reached my office but it has not reached me.

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[*Translation*]

LABOUR RELATIONS

MONTREAL—SETTLEMENT OF DISPUTE BETWEEN LONGSHOREMEN AND EMPLOYER

Mr. Arthur Portelance (Gamelin): Mr. Speaker, I had a question for the hon. Minister of Labour, but in his absence I should like to direct it to his parliamentary secretary.

Could he say whether the Department of Labour is now dealing with the problem created by the conflict between the longshoremen in Montreal harbour and their employer? If so, is he expecting an early agreement between the two parties?

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I am pleased to inform the hon. member that our expert mediator, Mr. Charles Poirier, has sent me a communication to the effect that union and management representatives met this morning in the Department of Labour office and that as a result of Mr. Poirier's mediation, the employees are now going back to work.

Inquiries of the Ministry

[*English*]

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, as a supplementary may I ask the Parliamentary Secretary how many notes he had to write in order to provide that answer?

* * *

LABOUR CONDITIONS

SYDNEY, N.S.—PROVISION OF JOBS FOR UNEMPLOYED

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the fact that there are at present 5,000 people drawing unemployment insurance benefits in Sydney compared with 1,500 a year ago, what steps are going to be taken to provide employment for these workers?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I am sure that the manpower office in Sydney is making its services available in the most effective way possible to those people who seek them.

Mr. Muir: Is the minister suggesting that these 5,000 people are not seeking employment?

* * *

NORTHERN AFFAIRS

KING CHRISTIAN ISLAND—REQUEST FOR STATEMENT ON GAS WELL BLOWOUT

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development but in his absence I direct it to his Parliamentary Secretary. Would the minister make a statement on motions on the natural gas blowout on King Christian Island which has now meant a loss of over four billion cubic feet of natural gas and is having a serious ecological effect in Canada's northland?

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I believe the minister has already dealt with this question but I would be happy to bring it to his attention again.

Mr. Harding: Would the minister consider a moratorium on natural gas and oil exploration in Canada's north until the results of the present investigation have been evaluated and presented to the House?

* * *

MANPOWER

NUMBER OF PERSONS UNDER 30 RECEIVING TRAINING—APPLICATIONS AND REJECTIONS

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is to the Minister of Manpower and Immigration. In view of the unprecedented numbers of

young Canadians seeking employment, would the minister indicate at an early opportunity what proportion of those receiving training under his department are under 30? Can the minister also at the same time supply the House with the number of those who have applied for training and the number of those who have been rejected?

Mr. Speaker: Order. I am sure the hon. member will appreciate that statistical information of this type ought normally to be given the House by way of a written reply to a question. Perhaps the hon. member would consider putting the question on the order paper.

Mr. Paproski: Mr. Speaker, I shall do so at an early date.

* * *

IMMIGRATION

GROUNDS FOR BARRING ENTRY OF ABBIE HOFFMAN

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, while I am on my feet I wonder whether I might ask another question of the Minister of Manpower and Immigration?

Mr. Speaker: The hon. member is irresistible.

Mr. Paproski: Thank you, Mr. Speaker. So are you. My question to the Minister of Manpower and Immigration concerns a gentleman by the name of Abbie Hoffman. Can the minister explain on what grounds Abbie Hoffman was barred from entering Canada?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I hate to inject myself into this exchange and I also have some hesitancy in speaking about an individual case, but perhaps I should say that so far as I know Mr. Hoffman has not presented himself for entry at this moment in time. As a result, he has not been barred. If, of course, he does present himself, the normal procedures will follow.

Mr. Paproski: Mr. Speaker, I realize he is not the type that we want in Canada, but I just want to know whether, if there has been such a decision, it indicates a change in government policy.

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GOVERNMENT PROPERTY

VANCOUVER—SUGGESTED REFUSAL OF LEASE TO FOUR SEASONS HOTEL

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Transport. In view of the continued protest of the Vancouver Parks Board against the granting of a lease to the Four Seasons Hotel because such a project would destroy a great part of the beauty of the approach to internationally known Stanley Park, what action is the government taking in regard to approving or refusing the lease?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am going to have to insist that the delightful hon. member—

[Mr. Paproski.]

Mr. Baldwin: Also irresistible.

Mr. Jamieson: —revert to her former status, because I cannot even hear what she is saying.

Mrs. MacInnis: I am not going to take it off to please you, but I will repeat my question.

Some hon. Members: Take it off, take it off!

Mrs. MacInnis: As soon as hon. members simmer down, Mr. Speaker, I will repeat my question.

Some hon. Members: Oh, oh!

Mrs. MacInnis: In view of the continued protests of the Vancouver Parks Board against the granting of a lease to the Four Seasons Hotel, because such a project would destroy a great part of the beauty of the approach to the internationally known Stanley Park, what action is the government taking in regard to approving or refusing the lease?

Mr. Speaker: Order, please. I would think that this question could be placed on the Order Paper.

Mrs. MacInnis: I am sorry, Mr. Speaker, but this is—

Mr. Speaker: Order, please. If there is urgency we could all return at ten o'clock to consider it.

Mrs. MacInnis: Mr. Speaker, I should like to let you know, if it is not already known to you, that this is a very urgent question in Vancouver. It is now at the point of being decided, and I have asked that—

Mr. Speaker: Order, please. Perhaps I have misjudged the question. I find that the hon. gentleman is also irresistible, so we might allow the minister to reply to the question.

Mr. Jamieson: Mr. Speaker, the best offer I have had today is to meet with the hon. member at ten o'clock. I want to assure the hon. member that the matter is being given urgent attention at this time, to the extent that the National Harbours Board is involved in it, and no decision has been made at the moment. I have asked for additional information.

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GRAIN

WHEAT ACREAGE REDUCTION—FORAGE PROGRAM FOR 1971-72

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, my question is supplementary to a question asked earlier of the Minister of Manpower and Immigration who is in charge of the Wheat Board. My question concerns the forage program for 1971-72. Does the minister propose to go forward with the program for 1971-72 and, if so, will it be tied to wheat acreage reduction as it was in 1970?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, formal announcement of the program will be made after a final decision has been taken. In that regard, as is known to hon. members, the proposal is that up to $40 million will be offered to the producers in the prairie region over a three-year period for additional forage crops of up to four million acres.

IMMIGRATION

POLICY RESPECTING ADMITTANCE OF PERSONS HOLDING RHODESIAN PASSPORTS

Mr. Robert N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the refusal of immigration authorities at Fort Erie to admit an African clergyman by the name of Reverend Joshua Dube, who carried a Rhodesian passport and was coming to Canada to take part in Christmas services, can the minister inform the House whether it is the policy of his department to refuse admittance to Canada of any persons holding Rhodesian passports?

Hon. Otto E. Lang (Minister of Manpower and Immigration): That is not the policy, Mr. Speaker. In so far as the particular case is concerned, I will have to take the question as notice and investigate.

* * *

INFORMATION CANADA

MEANING OF POSTER WITH MALE AND FEMALE NUDES

Mr. Mac T. McCutcheon (Lambton Kent): Mr. Speaker, I should like to direct my question to the minister in charge of Information Canada. It has reference to a poster which his department has recently brought out. So he will know what I am talking about, let me point out that the poster I have in mind carries the caption "Our country is at the beginning". It has a picture of a male and a female—

Mr. Speaker: Order, please. Perhaps the hon. member might ask his question as we are running short of time.

Mr. McCutcheon: I appreciate that, Mr. Speaker, but I wanted to be sure the minister knew what I was referring to. It is the poster with the two nudes, one with a maple leaf pointing up and the other with a maple leaf pointing down. Information Canada indicates on the poster that it depicts the basic truths about our country. My question is, and I finally get to it, what is the basic truth involved here?

Mr. Speaker: That question could be placed on the Order Paper.

* * *

POLLUTION

QUEBEC HEALTH COMMISSION CONCLUSION RESPECTING ESTABLISHMENT OF NATIONAL STANDARDS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of Fisheries and Forestry. In view of the many pollution problems in Canada, is it his intention to make a statement on motions concerning the extremely significant conclusion of the Quebec Royal Commission on Health regarding the need for the federal government to establish national standards for pollution control?

Inquiries of the Ministry

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, we are in the process of establishing national standards for pollution abatement.

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GRAIN

SHARING BY GOVERNMENT OF COST OF STORAGE

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct my question to the minister in charge of the Canadian Wheat Board. In view of representations by representatives of the farm organizations concerning the storage of the six major grains, can he say whether or not the government has decided to share the cost of storage of some basic amount of these six major grains, or is the government at least considering such a policy?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, discussions are going on with the producers in respect of many things related to the proposals which were put forward. It is not my intention to speculate on the results of these discussions until a full announcement can be made.

* * *

EXTERNAL AFFAIRS

TRANSFER OF UNITED STATES FACILITIES AT ARGENTIA, NFLD., TO CANADA

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Will he undertake to make representations to the United States government with a view to having certain facilities at Argentia, vacated by them, transferred to the Canadian government?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, to the best of my knowledge there are some discussions along these lines going on with the United States government, but I will follow up that suggestion.

* * *

[*Translation*]

MANPOWER

MEASURES TO ASSURE SUMMER EMPLOYMENT TO STUDENTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to address my question to the Minister of Manpower and Immigration.

Can the hon. gentleman tell the House whether his department's estimates to create summer jobs for students have been concurred in? If so, can he give us the assurance that a relevant statement will be made in order to reassure students?

[*English*]

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the question of possible programs is indeed under consideration by the government, and any decision on possible programs will be taken and made known in due course.

FINANCE

INQUIRY AS TO INTRODUCTION OF TAX REFORM LEGISLATION

Mr. Frank Moores (Bonavista-Trinity-Conception): Mr. Speaker, my question is for the Minister of Finance. In view of the decision by Wabush Mines to shelve plans for a three million ton expansion of its iron ore production in Labrador because of tax uncertainty, and in view of Brinco's reluctance to develop the Lower Churchill Falls power project for the same reason, can the minister say when he will present his tax reform legislation to the House?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I, first of all, do not agree with the preamble to the question. As a matter of fact, I understand that Wabush Mines is proceeding with its development in Labrador and Northern Quebec. In respect of tax reform, it is our intention to present this legislation some time this spring.

Mr. Speaker: Orders of the day.

[*Translation*]

GOVERNMENT ORDERS

YOUNG OFFENDERS ACT

PROVISIONS DEALING WITH CHILDREN AND YOUNG PERSONS

Hon. Jean-Pierre Goyer (Sollicitor General) moved that Bill C-192, respecting young offenders and to repeal the Juvenile Delinquents Act, be read the second time and referred to the Standing Committee of Justice and Legal Affairs.

He said: Mr. Speaker, it is my duty today to submit for second reading a very important bill. It concerns young persons, those who need special assistance and protection from society. Our young people represent our future generations, the fate of our country depends on them. The Juvenile Delinquents Act has been in substantially the same form since 1929, and it may no longer reflect a number of contemporary concerns.

The recommendations for reform of the Act have required a great deal of effort and careful reflection, which explains why it is only in 1971 that the necessary amendments are brought before the House.

[*English*]

Before I outline the policy of Bill C-192 I wish to pay tribute to the work of my predecessor the hon. member for Ottawa Centre (Mr. McIlraith). Many years and much expertise has gone into this bill, but it was the efforts of the hon. member for Ottawa Centre which resulted in the bill being put in final form and introduced here on November 16, 1970. My colleagues I am sure will want to join me in applauding the hon. member's decision to carry on as a Member of Parliament.

Some hon. Members: Hear, hear!

[Mr. Lang.]

Mr. Goyer: In this way Canadians will be able to continue to take advantage of his parliamentary experience and they are not likely to forget the services he has rendered to this country throughout the years, not only as a conscientious Member of Parliament but also as a minister holding different portfolios.

[*Translation*]

In outlining the research and work in preparation for this bill, I will mention only a few of the stages through which it has passed.

On November 6, 1961, a Department of Justice committee was set up to study the problem of juvenile delinquency in Canada; the committee's report was tabled in Parliament on February 7, 1966. The implementation of its recommendations required consultation with the provinces and a Federal-Provincial Conference was held in Ottawa in January, 1968.

It became clear from the beginning that provincial delegates would have to examine the proposed Bill in light of their existing social legislation and administrative structures. Cooperation was required to arrive at acceptable compromises.

One of the main problems was that of the maximum age limit for jurisdiction; another was the kind of offence to be dealt with under the proposed legislation.

As stated in the brief submitted to the Justice Department committee by the Canadian Corrections Association (now known as the Canadian Criminology and Corrections Association) the existing Act created

> a new kind of all-encompassing offence, that of "delinquency". This is an offence unknown at common law. No matter how a child is before a juvenile court, he can be tried and found to be in a state of delinquency. No legal distinction is made, between the young person who has committed a serious crime like armed robbery, and one guilty of an offence under municipal by-law, such as riding a bicycle without a licence.

Mr. Speaker, I wanted to read this quotation because representative of the attitude of a number of public bodies to the Juvenile Delinquents Act, and emphasize the need for the reforms proposed in this bill. On this point, I should also point out that delegates from all provinces agreed that offences under provincial or municipal legislation should no longer be dealt with under federal law. The Juvenile Delinquents Act, which is in effect criminal legislation, should be applied only to clearly defined offences. Nevertheless, unanimity could not be achieved on all the proposed reforms, and some compromise solutions had to be adopted in order to win approval by a majority of the delegates. Consequently, and I wish to make this clear right from the beginning, the bill which I am submitting to you today for second reading is certainly not perfect. It does however ensure greater homogeneity in the treatment of young people appearing before courts across the country, and it does uphold certain provisions which attempt to eliminate, as far as is possible, arbitrary treatment.

As I have already said, the Juvenile Delinquents Act has not been changed significantly since 1929. However, during this long period of forty-two years, provincial and municipal legislation has evolved in varying degrees in the general direction of greater precision, and often of

greater severity in the matter of penalties. More precisely, what was in the past considered only a form of nuisance, to be controlled through the informal means existing within the framework of a given community, is now treated as an infraction or an offence.

This phenomenon is all the more serious since minors are not tried in the area in which they live, but before a court having jurisdiction in the district where the offence was committed. Furthermore, since the definition of a juvenile is not uniform in all the provinces of Canada, a delinquent who is considered a juvenile according to law in one province may be tried as an adult in the neighbouring province, where the Juvenile Delinquents Act applies only to those under sixteen years of age.

It is obvious that such inconsistencies are unacceptable and contrary to the concept of justice.

Allow me to quote here Jean Chazal, a juvenile court judge who by his writings as well as his social action was successful in humanizing justice.

> We are convinced, that judges can only hand down judgments in cases where an offence has actually been committed. This is the most important guarantee against arbitrary prosecution... It is essential to understand in depth the personality of the child appearing before a juvenile court. This knowledge determines what action should be taken. But the offence does not lose its importance thereby. It is only possible to decide whether a juvenile delinquent should be punished or retrained if the offence of which he is accused has been established in fact and defined in law. A juvenile court judge has no right to transform into a delinquent, a minor whose material guilt has not been established, for the purpose of retraining him. We earnestly hope that juvenile court judges will have power to order educative measures for children in danger of becoming delinquents, but if he tries to teach a child by burdening him with even a minor offence, without having gathered sufficient proof, the judge is taking arbitrary action which in our opinion cannot in any way be justified. Moreover, for the juvenile court judge, the offence has not only legal, but also undeniable psychological importance. It often reveals tendencies in the child's character and can only indicate his intellectual level.

Judge Chazal's text, particularly the paragraph which I just read to you, is all the more important in that it conforms with my view that juvenile laws should not limit the power of judges dealing with children, but rather help them better accomplish an extremely difficult task.

In fact, applying the same law to both the case of an alleged juvenile delinquent because of an offence against municipal laws, for example remaining too long in a car parked under a particularly romantic moon in a park, and that of a young person who has just committed a burglary, is placing a difficult burden on the judge and more important it imposes a federal record on the young person in both instances.

• (3:20 p.m.)

The same philosophy also underlies the second major reform in the proposed legislation, that which deals with the definitions of offences proposed in the bill.

According to section 2, subsection (h) of the present Juvenile Delinquents Act, and I quote:

> "juvenile delinquent" means any child who violates any provision of the Criminal Code or of any Dominion or provincial statute, or of any by-law or ordinance of any municipality, or who is guilty of sexual immorality or any similar form of vice, or who is liable by reason of any other act to be committed to an industrial school or juvenile reformatory under the provisions of any Dominion or provincial statute.

In other words, the act authorizes proceedings for delinquencies as poorly defined as "sexual immorality or any similar form of vice" and "any other act".

In contrast, in clause 2, subclause (m), the proposed new legislation clearly defines the meaning of the term "offence" as follows:

> "offence" means an offence created by an act of the Parliament of Canada or by an ordinance, rule, order, regulation or by-law made thereunder or a criminal contempt of court other than in the face of the court.

This indicates clearly that the bill is exclusively concerned with federal offences.

The third element in the proposed legislation which I consider basic in comparison with that now in effect, and which also reflects its philosophy, is that of the age limit. As we have just seen, the present definition of juvenile delinquent is to be replaced by the definition in the act of the "offence", while "child" is defined as:

> a person apparently or actually under the age of seventeen years, or a person apparently or actually under the age of eighteen years to whom a proclamation under section 3 applies.

The following would be the definition of "young person", that is the one against whom an offence is alleged:

> "Young person" means a child apparently or actually ten years of age or more and, where the context requires, includes a person who is found, under section 29, to have committed an offence, until he reaches the age of twenty-one years.

In short, those definitions which describe the young person as a juvenile delinquent have been removed. This shows the intention on the part of the legislator to remove the stigma of some traditional concepts and also to change the application of federal legislation regarding the age limit.

Fourthly, I should like to emphasize that the proposed legislation is intended to encourage the development of social rehabilitation rather than exclusively legal procedures for the treatment of young people who have been found to have committed offences.

Since the protection of children and young persons, or in other words social legislation, is a matter of provincial rather than federal jurisdiction, it is obvious that the federal government does not legislate in that area. Nevertheless, it is of paramount importance that we should draw attention to the following passage from clause 30:

> Where a judge makes a finding that a young person committed an offence, he shall consider the predisposition report, if any, made under section 35 and any other relevant and material information, and he may then make any one of the following dispositions, or any number thereof that are consistent with each other.

In the same clause we also find:

> Where he is of the opinion that the evidence shows that it would be in the best interest of the young person to proceed under a provincial act intended for the protection or benefit of children or young persons, he may discharge the young person

(i) in order that the case may proceed instead under that act, or

(ii) in order to proceed himself under that Act if he has jurisdiction thereunder.

In my opinion, these sections are very important tools, so that court judges in juvenile court are able to choose the act under which they consider it desirable to proceed, even in cases where an offence has been established. This clause clearly shows the desire on the part of the government that young persons should have available social and educational measures for their rehabilitation. This is a far cry from the strict application of punitive justice.

Unlike the Juvenile Delinquents Act, the proposed legislation offers a procedural framework with clearly defined limits. It is a question of protecting the interests of the young person and at the same time of providing him with all necessary legal safeguards.

In the traditional scheme of things, the juvenile was considered incapable of understanding his real interest, and for this reason the act did not confer upon him the formal protection enjoyed by offenders tried in other courts. The new act, therefore, is more in line with the present change in the attitude of the authorities towards young people. Paternalistic and authoritarian theories are being abandoned and an attempt is being made to develop a greater sense of individual responsibility among young people and even children.

This sense of responsiblity, however, cannot be developed unless the individual is brought to a full awareness of his duties and responsiblities towards society and of the protection in the form of certain basic guarantees which society owes him in return.

Since at this stage I cannot possibly provide a detailed review of the procedural framework proposed, I shall simply comment on it in broad outline, placing particular emphasis upon the more obvious effects of the innovations.

The proposed legislation authorizes the young person, if he indicates his intention to admit the offence, to have the disposition imposed in the jurisdiction where he resides. This right likewise applies to the choice of judicial district within a given province.

It is in fact laid down in sub-clauses (1) and (2) of clause 22 that the young person may claim this right in the case of all offences with the exception of those mentioned in subsection (2) of section 413 of the Criminal Code relating to treason, inciting to mutiny, sedition, piracy or murder. This is one of a group of rights all aimed at ensuring assistance from his community for a young person appearing before a judge.

The new legislation includes the stipulation that the judge, justice or clerk of the court shall not issue a warrant unless he has reasonable and probable ground to believe that it is necessary in the public interest to issue a warrant rather than a summons. This measure is obviously aimed at limiting the number of arrests ordered by the court.

The warrant as well as the summons is to include a statement of the alleged offence and a notice that the young person to whom it is directed is entitled to representation by counsel of his own choosing. Furthermore, the court must not accept an admission of an offence alleged in an information laid against a young person unless he is assisted by counsel or a parent or some adult who in the opinion of the judge is capable of advising the young person.

One of the legislation's most important innovations is undoubtedly its intention to relieve certain young offenders from a court appearance or from any formal proceedings. Clause 23 in fact authorizes the judge to designate a person to confer with the person who laid the information with a view to disposal of the case without a hearing.

• (3:30 p.m.)

However, this procedure may be adopted only on condition that the attorney general of the province has no objection. The clause provides that the person designated must draw up and present written recommendations before the expiration of two months; such an informal adjustment prevents the institution of new proceedings for the particular offence, once the judge has ordered acceptance of a recommendation for informal adjustment.

This is indisputably a course which would enable social welfare and child protection agencies centralized at regional level, as advocated by a number of people including Judge Marcel Trahan of the Montreal Social Welfare Court, to co-operate with the magistrates in seeking adjustment of all cases where the formal appearance of the young person is not necessary or desirable. In other words, officers of the regional social services would co-operate with the judges and relieve congestion in the courts by eliminating certain appearances.

At this point we should focus on the other aspect of the proposed legislation—that of its flexibility with respect to the legal handling of different types of cases. In each alternative mentioned, the law in addition protects the young person's rights by ensuring mandatory assistance from his family counsel or some other trustworthy person.

When we adopt the precise rules of procedure as for adults and the same right of appeal we clearly demonstrate the important role of juvenile courts and equal status is conferred on the juvenile court judge with that of other judges.

To end this brief description of the protection of the rights of juveniles under the previous act, I would like to mention that, under the new bill, a representative of the information media has the right, except in certain instances, to attend a hearing.

He is chosen by the judge who may also authorize the presence of one or two other representatives chosen by him. Newspapermen will not however have the right to publish any account which might lead to the identification of the child in question and result in future suffering. Their presence at the hearing is an additional guarantee of the young person's rights before the court.

I fully realize that this proposition may infringe on the freedom of the press. On the other hand, it would be irresponsible on our part not to take into account another

right, that of the adolescent not to carry a stigma for the rest of his life. Is there a better solution? I urge newspapermen who might have suggestions in this regard to pass them along to and discuss them with the members of the parliamentary committee.

It is obvious that the measures aimed at protecting the young person's rights before the law are not in themselves sufficient to ensure treatment in accordance with his needs. This treatment will depend on the judge's decision. At this point the crucial question arises: Is he to decide on the basis of the offence or in terms of the total situation of the young person and his personality? The present act stipulates that: "Where a child is adjudged to have committed a delinquency he shall be dealt with, not as an offender, but as one in a condition of delinquency and therefore requiring help and guidance and proper supervision." This already shows the concern of the federal government to take account of the conditions under which the child lives. The proposed legislation clearly implies that we must go beyond that basic consideration and it defines the forms of help that the judge should require from parents and probation officers before deciding on the appropriate disposition.

When a summons is issued to a young person or when he is arrested, the parents must be advised of their obligation to appear with him and if they are not present they can be found in contempt of court. Furthermore the clerk must notify a probation officer assigned to the court within a reasonable time so that he may be present in court.

This does not mean that the judge must in all cases have a pre-disposition report, but it does constitute a formal recognition of the importance of the probation officers assistance. In all cases where consideration is given to ordering transfer of a young person over fourteen to a criminal court, a probation order is mandatory. The judge must, prior to making an order for transfer, and I quote from the bill:

> cause an investigation to be conducted under his supervision into the background of the young person and the circumstances of the alleged offence, and for the purposes thereof, he may order any social, medical, psychological or psychiatric examination or inquiry that he thinks desirable.

Thus Bill C-192 lays the foundation for applying progressive theories according to which, once the gravity of the offence has been established and evaluated, treatment should not only relate to the seriousness of the offence, but also and above all to the personality and environment of the young person before the court.

The terms of the disposition provided in the bill aim at forging closer links between criminal justice properly so called and social laws protecting children and young people, as formulated and administered by the provinces. This collaboration is indispensable, as it forms the basis for a concerted action regarding the restructuring of intake, education and treatment services.

In this connection, it should be noted that in carrying out the educational or punitive treatment imposed, the same concern for the protection of the young person's rights in establishing certain procedures relating to the hearing of the case, is shown.

The judge after considering the pre-disposition report, determines the maximum time during which a young person may be removed from his home. However, it is open to the provincial authorities to release him earlier, should they think it advisable. On the the other hand if he has not become rehabilitated within the time fixed by the judge, the young person should be detained under provincial law as a social welfare measure.

This legislation looks to the needs of the young persons while not losing sight of their right to just treatment. Nevertheless the proposals will be carefully considered in committee and amendments may be made, since this is its duty.

Furthermore, it is obvious that the effects of the proposed new legislation can only be judged after it has been in force for some time, and even then, not only in a general way, but also in terms of each province; the effects will vary from province to province because their social and legal services may be at differing stages of development.

In other words, although the aim of Bill C-192 is to offer a young person better protection of his legal rights, it is probable that such protection can be fully assured only insofar as provincial structures are standardized at the same time. This observation also applies to all the reforms relating to concurrent penal and social authorities.

The provinces must be concerned with this problem and I would like to offer them assistance and encouragement to define their thoughts on the role of their probation offices or foster and treatment institutions, from the welfare or legal point of view. If such dialogue is established progress will be made towards uniformity in distribution and application of funds. This is our hope.

Now, one of the objectives of Bill C-192 is to ensure that all young offenders receive like treatment; to attain this goal, reforms other than just legislative or federal ones must be made.

The philosophy underlying Bill C-192 is that the imposition of penalties for their deterrent effect alone may not work nor should penalties be imposed for pre-delinquent or quasi-delinquent behaviour. By the proposed legislation we are therefore undertaking to cease stigmatizing deviant, but non-criminal behaviour in young persons and to recognize only offences for which penalties are imposed when committed by adults.

It is all the more unrealistic, then, to consider that criminal law should or could control the wave of pre-delinquent or quasi-delinquent behaviour.

In short, and it is on this general observation I wish to conclude, Bill C-192 is only a legal framework for the treatment of a proportion of young persons in need of protection and supervision, but this framework must be complemented by the formulation of social measures for which responsibility lies with the provinces.

• (3:40 p.m.)

[*English*]

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, since these are my first words spoken in the chamber in

the new year, may I extend to you and to all members of the House best wishes for 1971. I join in the remarks of the minister who has just spoken concerning the long association that many of us have enjoyed with the former solicitor general. We shall miss him in that capacity. I am happy that he is still a Member of Parliament. I trust that he will give some guidance to the department and to the government on these questions. I also wish to extend my congratulations to the new minister, a young lawyer. He has accepted a portfolio which gives great scope for reform, and especially for reform affecting our young people.

Having said that, I am sorry that I cannot be as optimistic as the minister was in his speech. Before this debate ends I hope that he will read the bill thoroughly. His knowledge of it should extend beyond the facts contained in the department's brief to the government. When I have finished speaking I intend, on behalf of my party, to move a motion. That is how serious we think this bill is. At the outset, may I say that I have examined the bill carefully. I have received letters from various academics of universities, from lawyers, professors, psychologists, psychiatrists, and from people engaged in social welfare work. Of course, all of us received the brief from the Canadian Mental Health Association. None of the people I have mentioned are very happy about this bill.

Let me say at the outset that I hope to be able to prove and to document very carefully the argument I am about to present. In my opinion—and these are hard words—this bill will continue in force those sections of the Criminal Code dealing with the conviction of persons seven years of age and over. I think I ought to put the relevant sections onto the record. Section 12 of the Criminal Code reads:

> No person shall be convicted of an offence in respect of an act or omission on his part while he was under the age of seven years.

I shall have something to say about that section in a moment. I tried to move an amendment to that part of the code, but it was talked out by various members of the Liberal party, I think at the suggestion of the former solicitor general. Section 13 reads:

> No person shall be convicted of an offence in respect of an act or omission on his part while he was seven years of age or more, but under the age of fourteen years, unless he was competent to know the nature and consequences of his conduct and to appreciate that it was wrong.

I had hoped that the bill would have done something to amend these sections. The new bill is most archaic. It is the most punitive, enslaving, vicious and tyrannical piece of legislation that has ever come out of the legislative grist mill. Professors, academics from across the country and members of welfare organizations came to my home because they knew I was to take part in this debate. What they said substantiates what I have said about this bill.

At this time many of our people are unemployed. Many university graduates and college students cannot get jobs. With that in mind, surely the government could have come forward with a better bill than this. Let us see what some people are saying about the bill. First of all, may I read a letter that comes from my home city. It is from Professor Frost of the Faculty of Education, Department of Educational Psychology. He says:

> Dear Mr. Woolliams,
>
> Re: The Young Offenders Act, 1970
>
> Because the juvenile courts, which have jurisdiction over children aged 10-17 need many choices open to them and maximum flexibility in order to make decisions that consider the total needs of the child who is before the court:
>
> I support the recommendations of the CELDIC Report,—

I will refer to this later. I continue:

> —"One Million Children" that the services of health, education, welfare and corrections should not segregate a child but should, wherever possible, provide help to his family, his school and within his own community;
>
> I oppose the Young Offenders Act—

That is what Dr. B. P. Frost, Associate Professor and Head of the Division of Clinical Diagnosis and Special Education says. I continue reading:

> I oppose the Young Offenders Act because it is designed to segregate the child who breaks the law. It deals only with his behavior and does not consider his total needs nor his resources. It is inflexible and legalistic and it severely limits the discretion of the judge and the supporting staff and agencies that he calls upon to help the child.
>
> In effect, the Young Offenders Bill is a Criminal Code for children.

We are bringing in a new Criminal Code for children. That is what the government is bringing forward at a time when there are so many young people unemployed that we shall see a crime wave, which may have already begun, more serious than any we have seen since the 1930's. The letter continues:

> I urge you as my Member of Parliament to oppose this new bill, the Young Offenders Act, and to recommend that, in the interests of the children of Canada, the Bill be returned to the Committee on Justice and Legal Affairs—

This bill will go to that committee only under certain conditions, if I have anything to do with it. Of course, the government has an overwhelming majority in the House and after the bill has been discussed for second reading, it will be sent to the committee. We know what is likely to happen. The committee is chaired by a government supporter, and the majority of committee members are also government supporters. Except for a few innocuous amendments, this bill will be presented almost unchanged for third reading. If I have any power to do so, I shall see that the bill as it now stands will never reach the committee. I intend to move a motion so that when the bill, after some changes, reaches the committee, it can be discussed intelligently, in order that we may do something beneficial for the greatest resource of Canada, our youth.

Some hon. Members: Hear, hear!

Mr. Woolliams: The letter ends by saying:

> I urge you as my Member of Parliament to oppose this new bill, the Young Offenders Act, and to recommend that, in the interests of the children of Canada, the Bill be returned to the

Committee on Justice and Legal Affairs for revision and that in this process opportunity is provided for public submissions and discussion before the Bill, in amended form, comes again before the House.

If the bill reaches the committee, the government may treat it as it treated the federal court bill. The committee will not want to hear witnesses. They will say, "We will hear two or three witnesses, and then we will wrap it up." The committee certainly will try to wrap it up.

Let us see what other people say about the bill. I have here another letter from another man. I asked him to come to my office in Calgary. I said, "Let us organize a meeting." After that about 30 people came to my home; approximately 15 or 16 of them were academics representing various social agencies of the city. Others were young lawyers. After studying the act they characterized it with the words I used earlier. That is where they were first suggested to me, actually. May I point out that many of our young lawyers wish to help our young men and women who are involved with penal institutions. Here, in this bill, we talk about training schools, yet there are not enough training schools in the country to meet the need.

You know, Mr. Speaker, this is a government of "highs". We have high unemployment and the highest murder rate we have ever had. As a result of drugs and other problems, we have the highest number of young people ever incarcerated in our penal institutions. That is another high. Let us take a look now at what Professor Price from Queen's University has to say. I want to prove this case, since I have used language as strong as I have used. The minister has read out a little essay written by his staff but it is time we exploded the impression contained in it. I am here this afternoon to explode what I think amounts to a complete deception and to emphasize that the act we are dealing with represents a backward step. This is what Professor Price has to say:

• (3:50 p.m.)

Dear Mr. Woolliams,

You may remember that we met at the conference this Spring of the Ontario Association of Corrections and Criminology at Cedar Glen. I understand that you are the critic of the Progressive Conservative Party on matters relating to criminal justice and corrections, and it is in this connection that I am writing to you.

As you know, Bill C-192, the proposed new Young Offenders Act, was given first reading in the House this past week. I am writing to urge that this bill be referred to the Justice and Legal Affairs Committee. I perhaps should mention at this point that I served as Secretary to the Department of Justice Committee on Juvenile Delinquency, and was the principal author of its report entitled "Juvenile Delinquency in Canada". The proposed new legislation has its origins in that report.

I think it is most important that interested groups and individuals have an opportunity to make formal submissions in the manner in which Committee hearings would permit. In my view, legislation of this importance should not be enacted without full public hearings.

Apart from the general matter of principle, I would suggest that there is a particular reason why this bill should be referred to the committee. Recently I made a tour to a number of cities in Western Canada in connection with a study that I am doing of The Canadian Law of Criminal Correction. I heard quite a number of complaints that interested groups, such as Juvenile Court Judges and Probation Departments, had not been consulted in connection with the draft Children and Young Persons Act.

I pause there. Wherever you go in this country you find that the government, or the Department of the Solicitor General did not consult with the provinces, did not consult with the agencies which are doing this work and who understand the psychological problems of young people who run afoul of the law. This is why the writer of this letter says there must be a full hearing. I know why this bill is before us in its present form. I read in the newspapers that the government was so busy getting the public order legislation drafted that they only had a small amount of legislation ready. This bill happened to be one that was ready for Teddy, and here it is.

Professor Price continues:

Some that had been consulted wanted a further opportunity to follow up an initial brief contact. Apparently the Government of Canada was careful to consult with the provincial governments as such but many of the provincial governments took a very narrow approach—

I do not need to read any more of that. Let us see what the provinces are saying. I quote from the Ottawa Journal of November 18. Ontario took the same position as we are taking out in Alberta.

Two Ontario cabinet ministers attacked the federal government's proposed Young Offenders' Act Tuesday, saying it had tremendous implications for the provinces.

The bill introduced in Parliament Monday, suggests that "juvenile delinquency" be abolished as a special criminal status. It also would repeal the federal Juvenile Delinquent Act.

It defines a young offender as a youth between 10 and 21 years of age. At the same time it raises by one year in seven provinces the maximum age of children to be tried in family courts rather than in ordinary criminal courts.

One of the ministers went on to say he doubted whether Ottawa would help finance the extra training schools which would be needed if the bill were passed. The responsibility for creating the training schools is being thrust on the provincial governments without any commitment being made for their financing by the federal government. This is typical.

Now, take a look at what the Canadian Mental Health Association has to say about this bill. They use some pretty strong language, too. They say the bill is, in fact, "a Criminal Code for children". I would think that in 1971 we could do something better that that. The Association describes the bill as being "distasteful in its terminology, legalistic in its approach and punitive in its effect."

I intend to deal with some of the clauses, and with one of them in particular. Suppose a child aged 11 or 12 had, in some circumstances, committed murder. What would happen to him under the terms of this bill? It is so easy, under this bill. A child can come forward and say: "I am guilty". There is a clause which says you do not have to plead. You say "I am guilty of all this". However, if an offender were found guilty he would go to a training school until he was 21, with this offence hanging over him all the time. Then, at 21 he would be brought before a court like an adult under part 17 of the Code which deals with indictable, serious offences like murder, robbery with violence, manslaughter, theft of more than a certain amount, rape, and so on. Then, he would be sentenced as

if he had been tried on that day. What would be the sentence? It would be life imprisonment, or 21 years. From the time he was charged he would be incarcerated in a training school: He would put in eight or nine years there, and afterward he would put in 21 years unless the parole board leniently interfered with the sentence. And this is supposed to be a beautiful reform at the beginning of 1971.

What does the Canadian Mental Health Association say about this bill? Section 30(1)(k) reads:

> Where he (the Judge) finds that the young person committed an offence for which he might, if he had been tried by indictment, have been sentenced to death or to imprisonment for life—he (the judge) may commit the young person to a training school until he has reached the age of twenty-one years, to be thereupon dealt with under subsection (4)—

That, as I have pointed out, is one of the worst features, right there. Suppose a child aged ten did not understand the consequences of his act. He could still be sent to a training school and then, when he was 21, even though he did not know what he had done when he was ten it would be presumed he would then, all of a sudden, become aware retrospectively of what he had done when he was ten. That is quite a reform. The section further states:

> A person who has been committed to a training school under paragraph (k) of subsection (1) shall, on reaching the age of twenty-one years, be taken before a superior court of criminal jurisdiction . . ., and that court shall thereupon sentence or otherwise deal with him as if he had then and there been convicted of the offence that he was found to have committed and as if he were thereupon liable to imprisonment for life.

In other words, after he has been trotted out at the age of 21 he gets the same penalty as if he had committed the offence at the age of 21, regardless of the fact that he has served all those years in a training school. Yet this is supposed to be a reform. This is supposed to be the beginning of a brand new day for the young people I saw in hundreds and thousands across this country when I drove home this summer. I picked up a lot of them between Ottawa and Calgary—that is only 2,500 miles—and every mile of the road was packed with young people looking for jobs.

I turn to Section 30(1)(f) which provides that a judge may place a young person on probation for a period not exceeding two years. The following paragraph provides he may place a young person—

> (i) in the charge of a children's aid society established under an Act of the legislature of the province—
>
> (ii) in any municipality where there is no children's aid society, in the charge of the superintendent, for a period not exceeding two years...

Section 30(1) (i) provides that he may commit the young person to a training school for a period up to three years. Here comes a dandy. If a young person under the age of 17 happens to be impaired, is charged with the offence and loses his driver's licence, what do you think happens when he gets caught under this new bill? He will be liable to two years in prison. There is no provision in the Code that treats an adult in that way. So this is the great reform, the beginning of a new age for our children!

• (4:00 p.m.)

An hon. Member: It is also against the Bill of Rights.

Mr. Woolliams: Yes, someone says it is against the Bill of Rights. It is without doubt in conflict with civil rights. One trouble with the government is that it got so tied up with the War Measures Act that, psychologically, it is still feeling the effects of the act.

I should now like to deal with what the Canadian Mental Health Association has to say. Clause 35(6) provides that:

> In addition to the persons mentioned in subsection (4), a predisposition report made under this section shall be made available to—

Then, one of the recipients of the report is the National Parole Board if the young person applies for a pardon under the Criminal Records Act. In other words, there is a discretion, but he will still have a record. These young people would have to make application under the new act. In other words, they would be met by a large bureaucracy. With regard to a young person who had committed an offence at the age of 15 or 16 and who is applying for a job at the age of 21, the Mental Health Association has this to say, and these are not my words:

> A 14-year-old who is adjudged to have murdered his grandmother is committed to a Training School until he is 21—for seven years he has to wait, conscious of the fact that at the end of that time he will be sentenced by the Court for an offence committed seven years earlier. This is totally inhuman and intolerable; it completely ignores the fact that the child may have changed drastically long before he is 21.
>
> These sections ignore the fact that at the time the child is before the Court, it is impossible to state how long his case supervision and treatment should continue. Form 12(ix) makes it apparent that a child is committed to a Training School for a definite period—a period which may seem appropriate at the time but which may be too long or too short.

Even under the old law that I have complained about, what generally happened when a child appeared charged before the high court was this. I am not, of course, talking about cases of murder, because in such cases the law makes mandatory provision; but if he were charged with a first offence which called for a sentence of less than five years, the court would generally suspend sentence or remand the case for six months or a year in order to find out how the lad or the girl concerned has behaved. If his or her record is clean, then that ends the matter and there is no sentence. We already have this law. This new law is a retrograde step. The Canadian Mental Health Association go on to say:

> Any doubt that the young person is in fact being dealt with as a criminal is removed by these sections which make it clear that his "offence" will be recorded and could be used at a later date unless he seeks a pardon.

So, we are using a computer. We will soon be able to press a button and find out whether a young person has committed an offence. If he has, then we can find him guilty. In a serious case, we will be able to hold him until

21 and sentence him as if he were convicted as of that date. As a result, a bonding company or a corporation would regard him as a bad boy and he would not get a job with them. The Association goes on:

> The Court is given the power, in cases where it wishes to do so, to order the child to be fingerprinted and photographed—records of which are forwarded to the R.C.M.P.
>
> There have been several cases like the example given. Murder is an act which is rarely repeated by adults. Even more rarely is it repeated by children. In most cases where this act has been committed by a child, his remorse is great and his potential for rehabilitation is such that he is usually returned to the community before he is 18.

So, under this bill we will be able to hold the offence in abeyance until a person is 21. Then, he could be sentenced as if he had committed the offence at the age of 21. This is to be his 21st birthday present, yet we hear these people saying: "Look what we are doing for the young people"!

> The child is made a ward of the C.A.S. or of the Training School for an indefinite period. In actual fact, his normal period in a Training School is less than a year but his wardship is maintained so that he can be given after-care supervision and help in the community. The present bill makes no mention of or provision for after-care; presumably the child is left to fend for himself.

Pausing there, this is a problem even with adults. I have been in practically every penitentiary in Canada—as a visitor, let me assure you, Mr. Speaker—and I have found that generally there is not sufficient staff, there are insufficient courses, classrooms and equipment. It is nonsense to say that we are going to have a great big rehabilitation program. Even if this were a good bill, we still do not have sufficient training schools to take care of the situation. I continue quoting:

> The child is not dealt with as a criminal. As he has been adjudged delinquent and not considered a criminal, his "record" is confidential and cannot be used against him at a later date.

Let us now see what one of these other fellows said. This is how seriously he felt about this.

> On Friday, October 16, 1970, at the request of the Quebec Provincial Government, the Right Honourable Pierre Trudeau, Prime Minister of Canada, outlawed the Front de Liberation du Québec, and invoked the War Measures Act. This act gave the police powers of search and arrest without warrant, allowing them to detain all suspects picked up for a period of twenty-one days without preferring charges against them. The above action was deemed necessary after the October 5 kidnapping of British Diplomat James (Jasper) Cross and the October 10 kidnap and subsequent murder of Quebec Labour Minister Pierre Laporte by F.L.Q. terrorists.
>
> Although I was personally in favour of the action taken by the Prime Minister of Canada, public protest against the operation of regulations under the War Measures Act was voiced by lawyers, labour leaders, academics, students, and politicians many of which cried out that it violated the Canadian Bill of Rights. However, unknown to many Canadians, there is another act in existence today that is just as potent as the War Measures Act. I refer specifically to the Juvenile Delinquents Act.

Then, he refers to this new bill and I am not going to deal fully with that. I do not want to take too long to show what a bad piece of legislation this is. He simply says that the government must have got itself in this position as a result of some psychological cause.

I know, of course, what kind of amendments you can request. We asked the government to set up a review board similar to one which existed during the last war, but we were told: "Don't worry, the Attorney General of Quebec will take care of things". I read last week that one of the jails in Quebec had to be closed because of mistreatment of people who had not been charged and were awaiting trial. This is also going to happen to our youth in our training schools, and I want to say something about our training schools in a few minutes.

Let me read some words of Pierre Burton, who put the case in a nutshell in an article on Canadian Justice in the *Star Weekly* magazine for July 18, 1964. He was talking about young people being sentenced to training school and to the penitentiary. He says:

> One byproduct was homosexuality. Since young offenders were often dumped into prison compounds with old and hardened men—

Pausing there, our training schools are going to be full of people who have run afoul of different sections of the Code. A young person who has stolen an automobile, or a young man who has indecently assaulted some girl at school, or someone who has stolen goods from a store are all going to be lumped together in one big, happy training school. I know the sort of courses that they will be taking and I know the kind of diploma with which they will graduate. I continue to quote what Pierre Burton said:

> —it was almost axiomatic that any youth entering prison (and there were children as young as 13 in Canadian penitentiaries in the 1960's) be forced into a homosexual alliance that could scar him for life.
>
> The same system of mixing the young and the old, the novices and the veterans, which was prevalent in many parts of Canada as late as 1964, made it easy for youths to learn the fine points of criminal technique before they were once more dumped, with few resources, upon an unforgiving society.

I have stood in my place this last couple of years and recited the growing number of convictions in cases involving drug offences. Two years ago, the courts were sending to prison for three or four years people found guilty of possession of drugs and of trafficking in drugs among kids at school. The courts are taking a little better view of this whole situation today. Many of these people are young university scholars. The parole board has done a tremendous job. On many occasions when I have written the board about a deserving case they have allowed a young person to go to school during the daytime and return to his place of incarceration in the evening. Very often the board allows a young person out of jail for a period of six months in order to see how he can get along. I think this is a tremendous attitude.

• (4:10 p.m.)

Because of the basic function of our courts and our laws, we have in many cases been creating crime factories. Possession of marijuana is against the law as is trafficking in marijuana or any other drug. Under our

present laws this is a crime and a judge must pass sentence. Even when these young offenders are put in training schools they are forced to associate with a criminal element. A young man may have been smoking marijuana. He may be placed in prison in association with other young men who have run afoul of the law. As a result, we are manufacturing crimes. This is the breeding ground of criminal activity. For this reason, there is no way I can go along with this bill.

Professors of various universities and the Canadian Mental Health Association have suggested a solution to this problem. They say we should set up a task force to study this whole matter. We have had many task forces in the past. We are now dealing with youth, Canada's greatest resource. In spite of that we are being asked to rush this mad bill through in order to create more crime factories. All the lawyers, academics, psychologists, psychiatrists and sociologists I have talked to support this idea.

The government likes to refer to the support it received in respect of the War Measures Act. We live in a country of regions where people sometimes are happy because the government is kicking someone out of a province, such as it did in Quebec. I am thankful I am not one of those Canadians who share that viewpoint. In any event, that is why the government was so popular. People do not become concerned about many of these things until their own sons and daughters become involved. I received a very sad letter this week. I cannot say much more about it than the fact it refers to 13 young men under age 21 who were convicted of murder by a jury in Calgary. The jury was shocked when they received life sentences.

After reading the appeal books, the only thing I could find against one of these young individuals was that he happened to arrive at a house at a wrong time. He was asked to go for a ride to drink some wine. These people have all been placed in the one unhappy basket. My point is that no one worries very much about these things until their own sons and daughters become involved. They are not really concerned and that is why we have to raise our voices against this type of legislation. If this is the kind of situation we are going to face, I can only say it is not the normal situation I have encountered.

What is the present population of young people in jails in Canada? In 1968, there were 2 under the age of 15 years; 10 under the age of 16 years; 136 who were 17 years of age; 236 who were 18 years of age, and 364 who were 19 years of age. Let me point out that there is not much difference between a training school and a penitentiary. Many young people are incarcerated in one of the new young offender institutions in the city of Drumheller, Alberta. I suggest these institutions are nothing more than child penitentiaries.

What is the situation as far as this bill is concerned? It does not seem to accomplish very much. In fact, I think the old law was just as good. Perhaps in some ways it was better. It has been my experience that the higher the

[Mr. Woolliams.]

court the greater justice prevails. The high court trial judge uses some discretion on the question of sentence. In most cases they ask for pre-sentence reports and relate the sentence to the possibility of rehabilitation. Unfortunately, many cases are handled by magistrates who are forced to deal with hundreds of cases each week. These cases are all rushed through the courts and these authorities have little or no opportunity to deal with them individually.

The point I am making is that judges can suspend sentence and send these young people home or put them under the care of a guardian. It is useless in most cases to send these people to these training schools or child penitentiaries where the doors are locked and there is loneliness and a relationship with criminals of every kind. I have never seen anyone, whatever the situation, who has come out a better person as a result of being in prison.

I am shocked that our swinging Prime Minister (Mr. Trudeau), who is saving the empire, would permit such a measure to come before the House. After all, he is the author of the just society. Surely, this measure must have gone before cabinet. Members on the government side I am sure have received many letters from academics and others on this subject. At least these professional people have time in their world to think about these matters. Businessmen and lawyers very often do not have that time because they are busy making money to pay the rent. These academics have expressed the opinion I have put forward. This is the opinion of the scholars of Canada.

In view of this situation, I would ask the few members who are present on the other side of the House to take this bill back to the cabinet. The new Solicitor General (Mr. Goyer) has inherited a very bad package and he has my sympathy. I should like to move, seconded by the hon. member for Halifax-East Hants (Mr. McCleave):

That all the words after "that" be deleted and the following substituted therefor:

"Bill C-192 be not now read a second time but that the subject matter thereof be referred to a task force appointed under the Inquiries Act by the Governor in Council after consultation with the leaders of the opposition parties of this House".

We should also have a bill of rights for the young people of Canada, because that is what they need.

Mr. Deputy Speaker: Order, please. Before I recognize the next speaker I might read the amendment. I do so without accepting it because I should like to have an opportunity to consider it at greater length. I have some doubts as to its acceptability in view of the reference to consultation with the leaders of opposition parties. With the permission of the House, I will read the amendment which is as follows:

That all the words after "that" be deleted and the following substituted therefor:

"Bill C-192 be not now read a second time; but that the subject matter thereof be referred to a task force appointed under the Inquiries Act by the Governor in Council after consultation with the leaders of the opposition parties of this House".

Mr. Baldwin: Mr. Speaker, I rise on a point of order. I am prepared, along with other hon. members, to argue as to the validity of the amendment. I am not sure that Your Honour wants to hear argument at this time. It might well be that after an examination of this amendment the Chair will be satisfied that it is valid and should be accepted. I do not wish to take up the time of the House unnecessarily, but I would ask that before any decision is made by the Chair we be given the opportunity to make representations. Perhaps the Chair could indicate to the House the nature of those reservations. We are prepared to argue in support of the validity of the amendment, but there is a question of timing involved.

Mr. Deputy Speaker: I would be pleased to hear from those hon. members who may wish to make submissions as to the acceptability of the amendment. As I indicated earlier, it does seem to me that the amendment may not be in order because of the reference to the setting up of a task force to be appointed under the Inquiries Act by the Governor in Council, and my concern is that this be done after consultation with the leaders of the oppostion parties of this House. It would seem to me, in so far as the matter of consultation is concerned, this chamber is the place where the debate concerning the adoption or non-adoption of motions for second reading should take place. Therefore, my reservation really is in respect of whether or not the referral to a task force after such consultation would be in order. If hon. members have arguments to present on that, I would be very pleased to hear them.

• (4:20 p.m.)

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I think that point may be one which we could consider, but certainly the precedents have been well established concerning the principle of opposition being taken to the principle of a bill by means of an amendment which seeks, in the first instance, that the bill be not read a second time. I would refer Your Honour to citation 386 of Beauchesne's Fourth Edition. This is a citation which has been cited by myself and by other hon. members quite frequently. It reads:

> On the second reading of a bill, the House may decide to refer the subject matter thereof to a commission although the bill could not be referred to a committee of the House before its second reading. (The subject matter of a bill and the bill itself are two different things.) On the 17th April, 1934, the following amendment was moved to the second reading of a bill to amend the Railway Act in respect of rates on grain: "That the bill be not now read a second time but that the subject matter thereof be referred to the Board of Railway Commissioners for Canada." This amendment was as much a declaration of policy as if it stated that the question of adjusting the railway rates on grain should be investigated by the railway board.

Last year an amendment moved in this House by the hon. member for Hillsborough (Mr. Macquarrie) was dealt with by Mr. Speaker as recorded at page 1621 of Hansard, Volume 2, the first session of the 28th Parliament. The mover of the amendment, the hon. member for Hillsborough, used a little different wording. Rather than saying in his amendment that the bill be not read a second time, he said that further consideration of this bill be deferred until the principle thereof has, by means of a referendum, been submitted to and approved of by the electors of Canada. I pointed out in argument—and other hon. members including the hon. members for Winnipeg North Centre (Mr. Knowles) participated in this argument at that time—that the circumstances did not differ from a precedent in the fourth edition of Beauchesne recorded at page 396 as No. 93. The wording in the motion moved by the hon. member for Hillsborough was a little different and the Speaker referred to that. He said on that basis the hon. member might well like to change his wording to the more acceptable wording which is the wording used today by the hon. member for Calgary North (Mr. Woolliams).

Amendment No. 93, which is offered by Beauchesnes as an acceptable form of amendment on second reading, reads:

> The further consideration of this bill be deferred until the principle thereof has, by means of a referendum, been submitted to and approved of by the electors of Canada.

The hon. member for Calgary North has been a lot more specific. He said, let us set up a task force and refer the subject matter of the bill to this task force. Now, if Your Honour has reservations on the question of the task force being one in respect of which there must be consultation with the leaders of the other parties, I am sure we might be able to consider modifying it in this respect. Certainly, it would be hoped that in respect of a task force as important as this, there would be that form of consultation and that such a task force, if set up by the government, would be set up only after the fullest discussion with the leaders of all opposition parties in the House. If this constitutes, in the mind of Your Honour, an obstacle to the acceptance of this amendment, I am sure this is something we could discuss. Knowing that the hon. member for Calgary North is always a very reasonable man—I am in close contact with him and am aware how reasonable he is—I am sure he might well be happy to modify that particular aspect of it.

Apart from that, I suggest the wording is in a form which has been accepted in this Parliament on a great many occasions. The only addition involves the words "after consultation". If that is the obstacle, I am sure we can discuss that. However, the precedents are there. I have cited the more obvious ones and shall leave it at this stage for Your Honour's further consideration.

Mr. Deputy Speaker: The Chair might ask whether there are any other members who would like to contribute to the point of order.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, perhaps I might add a brief word or two to what has been said by the hon. member for Peace River (Mr. Baldwin). I would invite Your Honour to read not only the first paragraph of citation 386, which has been drawn to your attention, but also paragraphs 2 and 3 of that citation. This citation is in Beauchesne's Fourth Edition. The paragraph has already been read which indicates that it is in order on second reading to move a reference to the Board of Railway Commissioners for

Canada, which was the name of the board at the time this edition was published. Paragraph 2 points out that it is in order to refer the subject matter of a bill to a select committee. So there do seem to be indications that there are various kinds of other bodies to which the subject matter of a bill may be referred instead of giving it second reading. I believe it is also useful to read paragraph 3 of citation 386 because, in saying what cannot be done, it would seem to me to make clear what can be done.

Paragraph 3 says that you cannot have it both ways. It states that you cannot refer just some clauses of a bill to a committee and have a vote on second reading itself. It has to be all or none. The last words are that the House "shall have to make its choice". So, since the amendment moved by the hon. member for Calgary North does not try to split hairs, or in other words does not refer just some clauses but says no to the second reading of the bill in its entirety and that its subject matter should be referred for study by another body, I suggest it is in order. I am sure if the problem in respect of this amendment is the consultation with leaders of the opposition parties, the hon. member for Calgary North would be prepared to modify his motion in that respect. It does seem to me the reference to a task force appointed under the Inquiries Act should not present any difficulty. I recognize that the citations we are reading do not refer to task forces appointed under the Inquiries Act but they do refer to bodies other than this House of Commons. In one case, the reference was to the Board of Railway Commissioners for Canada and in another case it was to a select committee. It would seem to me, therefore, that Your Honour should give favourable consideration to the proposed amendment.

While I am on my feet I wonder if I might anticipate something I know my colleague the hon. member for Broadview (Mr. Gilbert) wishes to do. I think in the circumstances, since there is some doubt concerning how Your Honour will rule, we should have the whole story.

• (4:30 p.m.)

My friend, the hon. member for Broadview (Mr. Gilbert), has an amendment on second reading. It is also a reasoned amendment which would do something else than give the bill second reading. If the amendment of the hon. member for Calgary North (Mr. Woolliams) is in order, then my friend will not be able to move his amendment at this time but will have to wait for another round. But if perchance the amendment of the hon. member for Calgary North is ruled out of order, then I think at that point the hon. member for Broadview should be permitted to present his amendment. Perhaps in the course of his speech he can indicate what his amendment is and Your Honour can rule on both of them. If Your Honour rules that the amendment of the hon. member for Calgary North is in order, my colleague will have to wait, but if Your Honour rules that the amendment of the hon. member for Calgary North is not in order, then Your Honour would be in a position to rule on my colleague's amendment.

[Mr. Knowles (Winnipeg North Centre.)]

Despite my obvious interest in seeing the amendment of the hon. member for Broadview moved as early as possible, I think Your Honour should look with favour on the amendment proposed by the hon. member for Calgary North.

Mr. Woolliams: I will not speak at this time on the point of order regarding whether my amendment is or is not in order, but I would like to make a suggestion. Following consultation with my colleagues, I wonder whether my amendment can stand until tomorrow which would give me an opportunity to consider whether it might be modified by the suggestion of the hon. member for Peace River (Mr. Baldwin) and of the hon. member for Winnipeg North Centre (Mr. Knowles). At that time, I may be able to submit some authorities which I am not able to do now because I was not prepared for Your Honour raising the narrow issue—and I say so with respect—regarding consultation with leaders of the opposition parties. It may be that when I take a look at the amendment, and discuss it with my colleagues, we might conclude tomorrow that it would have to be modified.

I go along with the suggestion of the hon. member for Winnipeg North Centre that his colleagues should be permitted to put forward his amendment so that if my amendment fails, his could be considered. I am sure we would get the agreement of the House in that regard.

Mr. Deputy Speaker: I should like to thank hon. members who have assisted me on the procedural point. I indicated initially that the reservation I had was with respect to the provision in the hon. member's amendment that the action under the Inquiries Act be taken after consultation with the leaders of the opposition parties of this House. That is the only reservation I had. This doubt would be removed if, as the hon. member for Peace River and the hon. member for Calgary North have indicated, they would consider modifying the amendment. I wonder, and I put this to the hon. member who moved the amendment so that we can proceed and also so that the Chair will have no doubts as to the procedural acceptability of the amendment, whether the mover of the motion might agree to put a period after the words "Inquiries Act" and delete the rest of the amendment. The amendment would then be in order.

Mr. Baldwin: I think both the hon. member for Calgary North and I would support this. The hon. member has put forward his proposition. I am sure that the House would give unanimous consent to altering the amendment in that respect. The hon. member for Calgary North has made his proposal. If in its wisdom the House agreed to this sensible and reasonable amendment, we would hope the minister would bring it to the attention of his colleagues so that a task force may be established to deal with this extremely serious matter. So that there would be a form of consultation, which a democratic institution such as this would demand, we would ask that discussion take place with leaders of other parties.

Mr. Woolliams: Mr. Speaker, I appreciate your graciousness and, with the consent of the House, I would like to delete that part of the motion which you felt in your discretion was somewhat objectionable. I have discussed it with my seconder, the hon. member for Halifax-East Hants (Mr. McCleave), and he has agreed to this change.

Mr. Deputy Speaker: Is there unanimous agreement of the House that the motion be amended as proposed by the hon. member? If there is agreement, I will put the motion as amended in a formal way.

Some hon. Members: Agreed.

Mr. Deputy Speaker: The amendment now reads:

That all the words after "that" be deleted and the following substituted therefor:

"Bill C-192 be not now read a second time but that the subject matter thereof be referred to a task force appointed under the Inquiries Act.

Mr. John Gilbert (Broadview): I would like to preface my remarks on Bill C-192 by congratulating the new Solicitor General (Mr. Goyer) on his appointment and wishing him well in the work to come. I fully appreciate that the youth of Canada is in his hands and the hands of the cabinet. I hope he will exercise wisdom and judgment with regard to this matter.

I should like also to commend the former solicitor general for his good work during his years in service. I hope that his health continues to improve and that he will be with us for some time to come to perform his parliamentary duties.

With regard to the amendment that was just moved, and that has now been ruled in order, let me say that I had intended to move an amendment, to be seconded by the hon. member for Skeena (Mr. Howard), which would have read: "That this bill be not now read a second time but that this House affirms that young persons should not be treated as criminals and that the principle of flexibility of treatment of young persons should be emphasized rather than the legal technicalities of the criminal law. I will move this amendment at a later time to be voted on by members of the House.

I am particularly delighted this afternoon to see so many lawyers, members of the Liberal party in the House, many of whom have had litigation experience and know the consequences of the contents of this bill. I will attempt to persuade them to go back tomorrow morning to their party members, after listening to the persuasive arguments of the members of the opposition, and ask for a free vote on this particular matter. If we could have a free vote on the question of capital punishment, surely we can have a free vote with regard to an act that affects young people in Canada today.

Some hon. Members: Hear, hear!

Mr. Gilbert: I would appreciate their help, assistance and persuasiveness in requesting that there be a free vote on this important matter.

Every time I read Bill C-192 I wonder who is responsible for this criminal law monstrosity, this caveman's approach to young people, this bill of legal rights for social wrongs, this simplistic Spiro Agnew approach to young people's problems. I ask myself, is it the young persons involved who are responsible for this bill? The answer is no. Is it the juvenile court judges? No. Is it the social workers? No. Is it the probation officers? No. Is it the superintendents of training schools across the country? No. Is it the directors of children's aid societies across the country? No. Is it the managers of foster homes across the country? No. Is it the sociologists, the psychiatrists or the psychologists? The answer is no. I would further add that these people have never been consulted with regard to Bill C-192. I ask myself, is it the former solicitor general who is responsible for this bill? My answer is, I doubt it. Is it the present Solicitor General (Mr. Goyer) who is responsible for this bill? I would be amazed and shocked if it were. How could a man so young in age, in dress and in appearance be responsible for such backward and oppressive ideas? Who is responsible? It must be the Solicitor General's officials. Yes, Mr. Speaker, they are responsible for this civil servant approach, this cold, unconcerned, legalistic, punitive, unsympathetic, letter-of-the-law approach.

• (4:40 p.m.)

I ask myself who is supporting this bill? When I read the criticisms that have been voiced across the country I find little or no support for it. I recall reading in the *Telegram* of December 29 some of those criticisms recorded by Yvonne Crittenden, who is a writer for the *Telegram*. Here are some of the criticisms set forth by responsible bodies. It is called, "A Half-Pint Criminal Code for Children," "Inhuman and Intolerable," "A frightening piece of legislation," "The Title is Misleading, Inappropriate and a Step Backward," "Its legalistic terminology—offender, offences, inmates, finger printing, pardon, criminal records—make it a junior Criminal Code," "The approach is punitive," and "Classifying a ten year old an offender is ludicrous."

Where did we get the title "Young Offenders Act"? The old act was the Juvenile Delinquents Act. When a study was launched in 1961 on improvement in the act, a study which was tabled in 1966, I understand that the people concerned drew up a draft bill on juvenile delinquency which they called "The Children and Young Persons Act." What has happened to that draft bill? What do they call such legislation in England? They call it precisely the same name, "The Children and Young Persons Act, 1969." It is striking, Mr. Speaker, that the English bill was passed in October, 1970, and is taking effect in January, 1971.

If we must have a name for this bill I will suggest one to the Solicitor General. I suggest we call it "The Young

Persons Act." If the terminology, "The Children and Young Persons Act" is offensive to the Solicitor General, let us call it the "Young Persons Act." The reason for suggesting the change is that when you call it the "Young Offenders Act" this has a condemnatory aspect. But if we call it "The Young Persons Act" this expresses concern rather than condemnation. I would ask the Solicitor General to give full thought to changing the title of the bill.

The Solicitor General went into detail on the outlines of the bill and deftly attempted to demonstrate what a great improvement it is over the Juvenile Delinquents Act. Mr. Speaker, I would direct your attention to the philosophy of the bill, which is contained in clause 4, which reads:

> This Act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision and to the end that the care, custody and discipline of that young person will approximate as nearly as may be that which should be given by such a young person's parents.

On the face of it, that looks quite laudatory, but it is a shortchanging of the philosophy which is contained in the Juvenile Delinquents Act. In effect, it includes most of the words in section 38 and section 3(2) of the Juvenile Delinquents Act, with two important, major exceptions. Section 38 of the Juvenile Delinquents Act reads:

> This Act shall be liberally construed—

In fact, it contains most of the words in clause 4, but it has this one important exception:

> —every juvenile delinquent shall be treated, not as a criminal—

The inference in this bill, because the words "not as criminal" are missing, seems to be that we are going to deal with young people as criminals. Is that the case?

Section 3(2) of the Juvenile Delinquents Act indicates how the child shall be dealt with. It provides that where the child is adjudged a juvenile delinquent:

> —he shall be dealt with, not as an offender, but as one in a condition of delinquency—

So, Mr. Speaker, section 38 of the Juvenile Delinquents Act provides that we shall not deal with a person as a criminal, and section 3(2) indicates we shall not deal with a person as an offender. Now, this bill, the Young Offenders Act, tags a person as an offender. In actual fact, it is the Young Offenders Act, and we are to treat the offender like a criminal.

As the minister said, Mr. Speaker, the Juvenile Delinquents Act was passed in 1929 and 40 years have passed with no major amendments to it. It could be said that the Juvenile Delinquents Act of 1929 was an advanced and enlightened document. Now, it can be said that the Young Offenders Act of 1971 is retrogressive, unenlightened, and strikes right at the principles and philosophy set forth in the Juvenile Delinquents Act.

May I direct the attention of hon. members to what was said by the commissioners who prepared the report with regard to juvenile deliquency which was tabled in February, 1966? They said that criminal law has as its purposes deterrence, rehabilitation, incapacitation, and retribution. The goal of juvenile court judges should be to assist the young offender to become a law-abiding citizen. The treatment, therefore, should be disposed to further his education and re-adjustment. The treatment or punishment should not be determined on what he has done but rather on what is necessary and useful for him. Deterrence must also enter into the judge's decision. Therefore there is a difficult distinction between treatment and punishment.

Let me point out the difficulty that the juvenile court judge has. If making an offender a law-abiding citizen is the objective, and rehabilitation is the goal, is the sending of an offender to a training school the answer? Is the imposition of a fine the answer? Should the judge be meting out treatment or punishment? Are the feelings of the child relevant? For example, if one child is sent to a training school, another child is placed on probation, another one is fined, and still another one under this bill can be absolutely discharged, all of whom have committed exactly the same offence, where is the treatment and where is the punishment? These are the words contained in the report, and they sum up the problem in one paragraph.

The difficulty is not in the basic philosophy of the Juvenile Delinquents Act, but in the failure of society to give to the juvenile court adequate resources to fulfil the aims of the philosophy, the philosophy of wanting young people to become law-abiding citizens and directing treatment with regard to their rehabilitation.

I have mentioned that the English act is called the "Children and Young Persons Act, 1969," and it behooves me to direct the attention of hon. members to the philosophy set forth in it. It sets forth the care and other treatment through court proceedings with regard to children and young persons. Section 70 defines a child as a person under 14 years of age. A young person is defined as one who has attained the age 14 but is under the age of 17. Section 4 of the act provides that no person shall be charged with an offence, except homicide, by reason of anything done or omitted while he was a child. In other words, if he is a child, and therefore under 14 years old, he cannot be charged with an offence.

• (4:50 p.m.)

In Canada, we say that a child ten years old or older can be charged with an offence. Mr. Speaker, why is there this gap between the 10 years of age provision in Canada and the 14 years of age provision in Great Britain? Are the English that much more civilized than we are in determining who is a child and who is a young person? In another section of the English act the conditions are set out under which a young person may be brought to court. Subparagraph (a) of subsection (2) of that section lays down these conditions: "his proper development is being avoidably prevented or neglected or his health is avoidably impaired or neglected or he is being ill-treated." It goes on to say in subparagraph (b),

"the above circumstances have been satisfied to another member of his household."

Then, come the following subparagraphs:

(c) he is exposed to moral danger
(d) he is beyond the control of his parent or guardians
(e) he is not receiving efficient full-time education

Next follows the subparagraph I wish to emphasize:

(f) he is guilty of an offence excluding homicide.

As the Solicitor General pointed out, the basis of this bill is that it defines an offence. The big difference between the Juvenile Delinquents Act and the Young Offenders Act is that in the latter piece of legislation an offence is deemed to be an offence committed under a federal statute, probably the Criminal Code. May I remind the Solicitor General that in the English act there is a clear distinction. It indicates that no young person will be charged with a summary offence. We have summary and indictable offences, yet in England no charge will be laid against any person under 14 years old; secondly, no charge involving a summary offence will be laid against a young person. The offence must be an indictable offence; otherwise, the young person cannot be brought before the court.

I always recall the lecture given by the late Dr. William Blatz in Toronto, 25 years ago, when I was a law student. He was an eminent psychiatrist in the field of treating children especially. He asked us all one simple question. He said, "Is there any student in this class who has never stolen anything? If so, will he please raise his hand." There were 30 students in the class, and not one raised his hand, not one. If I were to ask that question of members who are present in the chamber this afternoon, I dare say that the answer would be the same and that not one would raise his hand.

Mr. Greene: I never stole anything.

Mr. Gilbert: —with the exception of the Minister of Energy, Mines and Resources (Mr. Greene). If I asked the members of the press gallery that question, I doubt if any one of them would put up his hand.

Mr. Baldwin: Elections have been stolen, you know.

Mr. Gilbert: A person ten years old or over could be charged with an offence under the young offenders act. I suppose we can count ourselves fortunate in not having been caught and charged under the Juvenile Delinquents Act. That merely shows you how enlightened and progressive the English are. Under their law, no offence can be charged against a person unless he is 14 years old and over, up to a certain age it must be an indictable offence.

I have mentioned the conditions under which young people in England can be brought before the courts. Once a young person is before the court, the court may make an order "requiring his parent or guardian to enter into a recognizance to take proper care of him and exercise proper control over him." Or, it may make a supervision order, or a care order, or a hospital order, or a guardianship order. What a comparison there is between our new act and the new English act which has just come into force. The English act concerns itself with care and treatment. Our act is one of punishment. It will brand young persons as criminals.

The Solicitor General would have a perfect right to say to me, "What would you do under the circumstances, if you were the solicitor general?" Mr. Speaker, the first thing I would do is accept the definition and the age concept pertaining to child and young person as contained in the English act. In other words, I would accept the definition that a child is a person 14 years of age and under, and that a young person is a person between the ages of 14 years and 17 years. Actually, I would take it a step farther and make the upper age limit 18 years. On the matter of problems involving young people under the age of 14 years, surely we could work out with the provinces the machinery for dealing with them. It is very bad, Mr. Speaker, to tag young people under 14 as either offenders or criminals, which our present act would do.

Secondly, Mr. Speaker, I would accept the philosophy of the report on juvenile delinquents which says that it is still our duty to make our young people law abiding citizens and that our treatment ought to be so disposed as to further their education and readjustment. When I speak of education, Mr. Speaker, I am not speaking merely of academic education; I am also speaking of social, moral and spiritual education. You know, we of the New Democratic Party do not believe in pushing tough kids around; we do not think that is the answer to delinquency. Many of us are tired of seeing troubled kids go through the revolving doors of social service agencies, training schools and foster homes and end up in reformatories, mental hospitals, or detention homes. We should use the entire resources of the neighbourhood; this means that we must work with the parents, schools, trade unions, businessmen, youth organizations, social clubs and social agencies of the neighbourhood.

We of the NDP believe that such explanations relating to juvenile delinquents as those involving slum living, broken homes, films, deprivation, the frustrations of growing young people, and intense industrialization indicate the complexity of the problem and call for an all-out community effort. We believe that the guilt aspect of the complex ought to be a secondary consideration. We believe that the reformation and rehabilitation of the offender ought to be our primary object. His care and treatment is our concern. Therefore, Mr. Speaker, I would recommend a panel system for dealing with these problems. Such panels ought to be composed of judges, psychiatrists, trade union officials, psychologists, business representatives, church ministers, social workers, parents and school teachers. Such people ought to compose a panel for dealing with the problems confronting our youth. You cannot look at the particular act of the individual in isolation; you must look at his whole background if you want to bring forward an answer. If you look at the individual and not at the offence, you will first and foremost prescribe treatment and not punishment. You know, if we do not take this approach the

Canadian dream of the just society will end up as a nightmare. This is one battle we must win. What we shall do in this area will be just as important as anything we do with regard to any other social problem facing us today.

• (5:00 p.m.)

I would remind the Solicitor General, and the lawyers on the other side, that this approach has been taken by Sweden and other Scandinavian countries. They have adopted the panel system and rather than have a judge alone determine the offence and the treatment, a panel of judges attaches secondary importance to the act committed and primary importance to the care and treatment of offenders. In Sweden they have a volunteer system concerned with the treatment of young offenders. There is citizen participation and two-thirds of all members of the Swedish parliament are volunteers when it comes to taking care of young offenders. These people are paid $10 a month in return for the time and attention they give.

There are four other serious criticisms of this bill. I have dealt with the philosophy behind the bill and our answer to it. When I read the provisions with regard to fingerprinting and photographing they just make me cringe, they are so horrible when applied to young people. When I read the inflexible sentencing provisions, two years with regard to a suspended sentence, two years with regard to a commitment to a children's aid home and three years for a training school, I can uderstand why the social agencies across the country have raised such a furore. They realize the necessity for flexibility with respect to the treatment of these people. Surely, the Solicitor General is young enough and flexible enough to know that we can introduce a mechanism for review of these sentences.

The hon. member for Calgary North (Mr. Woolliams) gave us a vivid and excellent description of what would happen in connection with the provision under which life sentences could be imposed, where a young person is sentenced to serve in a training school until he is 21 and then made to appear before an adult court to receive his sentence. Surely, the Solicitor General (Mr. Goyer) is a man with some vision, some concern, and would not recommend a provision like this.

Another area of criticism concerns age differences. The government pounds its breast with regard to changing the age from 16 to 17. May I remind the House that raising the age to 17 affects only Ontario, the Maritimes, Saskatchewan and male offenders in Alberta. British Columbia and Newfoundland have already passed legislation fixing the age at 17. Quebec and Manitoba have raised the age for both boys and girls to 18. I wonder why we cannot get uniformity across the country by fixing the age at 18. As things stand, a boy of 18 in Ontario charged with car theft appears in the adult court. A boy of 18 charged with the same offence in Quebec or Manitoba appears in the Juvenile Court. Does this make sense? Is this the just society we are trying to create? I am sure the minister would agree that the age should be uniform and that it should be 18. Would it not be sensible to appeal to the provinces to make 18 the age universally, and to provide some resources for the training schools and other institutions which are necessary?

May I give some humble advice to the Solicitor General? First, I would recommend that he withdraw the bill.

Some hon. Members: Hear, hear.

An hon. Member: Burn it.

Mr. Gilbert: Why does he not set up a committee composed of judges, social workers, psychiatrists, psychologists, trade union officials, employers, church representatives and representatives of youth organizations. Let this committee travel across the country to hear the views of different organizations. Let it visit training schools and talk to young offenders; let it visit children's aid homes and foster homes and get the point of view of these people. Let it go to Europe, go to England and study the Children and Young Persons Act there; let it go to Sweden and Denmark and other Scandinavian countries, study their enlightened approach to this problem and then report to the government. We do not want a bill that is worse than the Juvenile Delinquents Act. We want one that is better. We certainly do not want this young offenders act. I might recommend that the Committee on Justice and Legal Affairs should do the same work as the committee or task force to which I have just referred. But as a member of that committee I would say that our approach would be too narrow, too legalistic. Our training makes us this way. We need men from all orders of society to study this question and help us solve it.

There is an old proverb which says it is easy to say a tulip grows but that it is not easy to make one grow. It is easy to say a young boy grows but it is not easy to make him into a responsible, law-abiding citizen. I would remind hon. members that 80 per cent of all juvenile deliquents are first offenders and that less than 20 per cent return to court during their lifetime. We need the help of all Canadians. Let us not fail in our duty by passing this bad legislation and approving a young offenders act which is worse in philosophy and in practice than the Juvenile Delinquents Act.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I must admit that this bill to repeal the old Juvenile Delinquents Act and adopt new regulations with regard to those same delinquents reveals true concern about the moral health of our youth.

At first glance, I believe in the efficiency of this bill. It is high time we pause to better protect our young citizens, who have to face the judiciary who, in their eyes, too often constitute an adversary which cannot be trusted.

Unfortunately, obsolete and inadequate sections in the old act at times proved them right.

Our young people, under 18 years of age, are intelligent, resourceful and dynamic, but the potential those excellent qualities represent does not alter the fact that, at that age, they often lack a certain sense of responsibility. There is no reason to hold it against them, particularly since the influence of adults has much to do with delinquent agitation. In fact it we look for the cause, we find out that in most cases, it is the malevolent, not to say diabolical, action of unconscionable and evil-minded adults.

The education that is provided to our young people in these troubled times lacks conviction, vitality and authority. Too many adults are indifferent; too many parents give up; too many leaders show incompetence.

So, we should not be surprised to see that our young people are unstable, apathetic and sometimes discouraged and inclined to use this false safety valve: committing every kind of offence they can.

It is therefore appropriate to rejoice since under this bill, the so-called delinquent seems to retain his dignity as a human being.

Clause 4 on page 5 is eloquent enough in this connection and I would like, Mr. Speaker, to be allowed to quote it:

> This act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision and to the end that the care, custody and discipline of that young person will approximate as nearly as may be that which should be given by such a young person's parents.

To my mind, other clauses of the bill under discussion constitute good points and should help a great deal to improve our young people's behaviour.

Under clause 14, an adolescent must be judged by a juvenile court, even though he might have appeared before a regular court. This will prevent incidents such as have often been witnessed in court where people under 18 years of age were brought to regular courts and considered as adults. This was bound to bring in the end a drifting towards gangsterism and underworld life with all possible implications.

• (5:10 p.m.)

Clause 15 should also be quoted:

> (1) Where
>
> (a) a summons is issued to a young person, or
>
> (b) a young person is arrested,
>
> notice thereof shall be given to a parent or parents of the young person by the person who issues the summons or by the clerk of the court before which the young person will appear, as the case may be.
>
> (2) Where the whereabouts of the parents of a young person to whom a summons is issued or who is arrested are not known or it appears that he has no parents, a notice referred to in subsection (1) may be given to one or more relatives or friends of the young person.

Mr. Speaker, this clause will allow all responsible persons, when any offence has been commited, and I do say "all responsible persons", since parents who have to see to the education and guidance of their children are always directly and sometimes indirectly responsible, to find that, by this clause, parents or guardians are involved. I think this clause will greatly help to convert these young persons who sometimes go a little too far.

Even though this may seem like paternalism that some would consider in bad taste, I believe it is a reasonable and equitable measure.

Clause 16 clearly indicates the proceeding in the clause I just quoted, but I would make some reservations as far as subsection (3) is concerned, which reads as follows:

> (3) Where in the opinion of a judge a requirement to a parent to whom a notice is given under subsection (1) of section 15 to appear before the court would impose an undue hardship on the parent, such requirement may be omitted from the notice and the notice may state that any parent, relative or friend of the young person may appear with him.

Mr. Speaker, is it not true that there could be abuses regarding this matter? How many parents could find a thousand and one reasons to avoid taking their responsibilities! Snobbery and undue deference for public opinion still exist. I wonder whether it is necessary to make this restriction.

I would also note the soundness of clause 23 which states:

> Where an information is laid against a young person and a judge is of the opinion that there are reasonable and probable grounds for laying the information, but that the case may be a proper one for disposal without a hearing, he may, instead of proceeding under section 26, direct that the information not be acted on for the time being and designate a person to confer with the person who laid the information, the young person, a parent of the young person and any other person interested in or willing to take an interest in the young person, with a view to disposal of the case without a hearing.

That point seems important to me. It will prevent hearings from being lengthy and will also be psychologically more helpful to teenagers involved in offences of any kind.

Having said this, Mr. Speaker, I could not bring this brief statement to a close without expressing my apprehensions at the thought that at the very time when we are anxious to help our young people develop in the right way, behave properly and receive additional training, our society tolerates laws that are stupid and inefficient, and it is expected that future legislation will be even more so.

I would not like to make unwarranted statements here, but how can we persuade young people to behave well when, because our laws are too lax or too harsh or our legal machinery is heavy and cumbersome, the Mafia, for instance, is allowed to flourish within our society?

However, Mr. Speaker, not so long ago, a certain Minister of Justice was even heard to say in the Parliament of Quebec that we must not use the war measures to fight the underworld because, he said, that would be unfair.

Mr. Speaker, if legislation is designed to protect us, how can someone as responsible as a minister of justice state that one can be unfair to the underworld? And God knows that the members of the underworld

know how to use the law in order better to reach their aims.

Mr. Speaker, while we are not correcting those situations and while we are proposing to cure the ills of our young offenders, we should remember that we shall achieve nothing really effective through this bill unless we withdraw from the eyes of our young people these laws which in my opinion are often scandalous.

How for instance could we urge our youth to behave decently when Parliament passed legislation legalizing homosexuality from the age of 21?

How could we urge our youth to be honest and to try and set high ideals for themselves when we are in the process of passing legislation legalizing certain drugs such as marijuana?

If through our laws we are fostering some vices amongst our young people, let us not then try and impose guidelines upon them. This is why it is difficult to rebuke the young, to have them walk the straight and narrow path while, alas, through our own example, we have them straying from it.

This is why at the same time we are drafting legislation in order to strengthen the moral fibre of our children, we should render all laws sound, for they are not always.

And above all, undertakings such as legalization on abortion on request, the unrestricted use of some drugs, etc., will have to be blocked. Should we allow all these to go through, then with the licentiousness which unfortunately is now rampant, again and on all sides, this commendable bill will be of no avail, will prove to be absolutely futile, whereas in my opinion it does contain tremendously positive intentions.

Also to provide it with real efficiency, consideration should be given to amending all the other legislation which as I have already said is much to tolerant and sometimes in spite of its excessive severity, prompts and challenges our young people, sanctions the existence of underworld organizations and parasites who operate systematically outside of the law.

Mr. Speaker, after we pass this bill, I wish we would also try and find solutions to the problems which are at the root of juvenile delinquency.

• (5:20 p.m.)

[*English*]

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I should like to follow the traditional pattern when a new minister is involved in legislation in the House by wishing him well in the execution of his duties. I can do that in this case because we in the official opposition do not really feel that the minister is responsible for the legislation now before us. If I thought he had anything to do with it my words would be at the least of greater warmth. Since he is a new minister, and in view of his attitude toward penitentiary matters, he is obviously an earnest minister and I can wish him well. I hope his very first act to show that he means well in his office will be to march in on his colleagues tomorrow and suggest that they have a long second look at this legislation, that it be withdrawn or that the government accept the amendment of the official opposition. Perhaps in this way a whole new approach could be taken to this matter which would reflect the minister's philosophy. Perhaps the minister does not realize at this time, but I am sure he will tomorrow, that he is getting himself involved in a hornet's nest by presenting this bill to the House of Commons. With these caveats, I again wish the minister well in his duties. I suggest that he take his new broom and begin to beat some new shape into this legislation, Bill C-192.

It is significant that there are no explanatory notes anywhere throughout this very lengthy piece of legislation. I suppose this is partly so because the bill is wrapped up in as much mystery as legal draftsmanship could devise. Perhaps it is because no one wants to put in simple language what this is all about. There are some very complicated features in this measure. In any event, it is a bill that is in a sense unique in that it has nothing in it to help a Member of Parliament understand its philosophy or meaning, except in the words of the bill itself. It is an unjust bill for two reasons. It is unjust in its attitude towards those it deals with, and it is unjust to those who administer it, namely the provinces of Canada. I shall attempt to prove this during my speech.

I note, as other hon. members have noted before, that the obvious weakness in the bill is the threat of punishment hanging over the heads of young Canadian boys and girls. This is a threat which could last for up to 11 years. I suggest that if anyone here thought that some Canadian should undergo up to 11 years imprisonment before knowing the ultimate punishment that was to be assessed, he would wonder about the type of legislation a powerful Parliament was being asked to pass. For that reason, and because of the harshness this measure could work, admittedly in extreme cases, we have to take a long and hard look at what we are being asked to do. This 11 year provision is a sort of Damocles sword hanging over the heads of young people. In a few moments I will go into this in greater detail.

We should ask ourselves what the philosophy is that should be borne in mind in dealing with measures such as this which relate to young people who find themselves in difficulty with the law. The Canadian Mental Health Association made a submission to us, and while I do not necessarily agree with the paragraph I want to place on record, I think it at least sets the guide to an approach which would commend itself more than the approach taken by Her Majesty's advisers in this case.

Let me quote from the submission by the Canadian Mental Health Association dated December 7, last year. I quote from the second paragraph on the first page as follows:

• (5:30 p.m.)

The purpose of legislation directly concerning children and young persons whose behaviour is unacceptable to society, is surely to provide the best means possible to promote growth and development of a healthy personality and of acceptable, responsible, mature behaviour. This must be the main objective.

> The safeguarding of the civil liberties and social rights of a child or young person and the provision of a code of appropriate procedures and consequences which relate to specific unacceptable behaviour may be important and helpful to the court but, in the case of children and young persons, they are of less importance than the provision of legal machinery for meeting their particular needs. A Criminal Code based on the notion that specific offences merit a specified range of punitive procedures may be appropriate for adults but definitely not for children. A particular offence may be committed by two children of the same age. In one case the total social, emotional and intellectual needs of one child may require only a suspended sentence; while with the other child an indefinite and probably prolonged period of re-education, treatment and retraining may be required.

Another sentence immediately following reads:

> Basically it is the position of this association that there should be a separation between the judicial process and the process of determining appropriate treatment, training, supervision and after-care.

Those are good, commendable objectives. At the outset of my remarks, I mentioned that the legislation we are considering, because of certain provisions in it and more particularly the notorious clause on pages 26 and 27 dealing with postponement of sentencing, could provide an adverse effect in respect of a young person for up to a period of 11 years. I refer, of course, to the difference between age 21 when the sentence could be imposed and age 10, which amounts to 11 years. That is a long time to wait, although I presume the offence for which the person was being detained would be of a very substantial nature indeed, such as murder.

When the hon. member for Calgary North (Mr. Wolliams) referred to the motorcycle cases, I was reminded of the rather strange thing that could happen under the suggested law in the case of someone just under 17 years of age who was involved in a misadventure in the course of which a policeman was killed. If two persons were involved in this misadventure it could happen that the more hardened of the two, the one with perhaps a greater responsibility for the killing of the policeman, would have his case adjudicated immediately and perhaps the cabinet in its wisdom would decide his sentence should be commuted. The other person, being under age 17, would have to wait until he was 21 years of age before there would be any disposition of his case. He might be an entirely different person by then. At the time of arrest, he might have been perfectly capable of rehabilitation, of remorse for his crime and of adopting a whole new attitude toward his responsibility in society. But he must wait until he is 21 years of age. God knows where he would be located in the meantime, but since I have had to make certain assumptions for the purpose of my argument let me assume he would be confined with people who would not help reform him in any way. His jailors may wish to reform him but he may be with a group of hardened people who only set him more in his antisocial attitude.

So, being an amenable person before reaching age 17, he is now at age 21 faced with a crime he committed at age 17. Where are his legal rights? The court may deal with him as if he had been then and there convicted of the offence, to which has was found guilty at 17. Perhaps I niggle too much when I look at those words, but it seems to me we then take a man at age 21 and decide to deal with him as if he had committed the offence at that time rather than at some time in the past. Because of his attitude at this time, largely induced by being in prison, I suggest this man could be found guilty of a capital offence, such as capital murder, in which case he might be hanged. We have these two persons, both involved in a crime, one of whom being a few days older than the other knows of his punishment, which may involve commutation of sentence, while the other person must wait four years and a few days until he is age 21. His attitude at this time may be entirely different. For this reason, I believe this is a very dangerous approach and one to which we, as Members of Parliament, should give very earnest consideration. We might wonder whether we should be looking at this type of delayed sentencing at all or whether we should take some entirely different attitude.

This is the reason I reject the philosophy of the legislation which is now before us. I say it is wrong in our enlightened society, and in what we profess to call a civilization, to have a threat of punishment hanging so long over people's heads, in some cases up to a period of 11 years and in many cases for a period of at least four years. What is this supposed to produce? Is it intended to produce a person who will absolutely bow to whatever whim his jailors impose on him? They may tell him not to be fractious because it would have an affect on the judgment given. He is not dealing with parole. He is appearing before a judge who takes the reports and then determines what punishment he should receive. So, I believe it is dangerous in this regard alone. I do not think it helps, because for one thing the rehabilitation period is put off, I presume, until after the time of sentencing. I believe these circumstances alone should make us take a long hard look at what we are being asked to do.

Then, I see things such as clause 4. The previous speaker could not find it, so I shall place it on the record. It has been read by others who have taken part in the debate. At page 5 of the bill under the heading "How Young Person Dealt With", we find this:

> This act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision and to the end that the care, custody and discipline of that young person will approximate as nearly as may be that which should be given by such a young person's parents.

Mr. Speaker, I suggest those words are novel words, but if they have any meaning in a bill such as this they would probably be better placed in a preamble or in some pious statement rather than being given the purported sanction of law. I suggest that they are so general as to be almost meaningless. No two judges and no two courts could determine exactly what is meant by these words. With everybody being put in the position of a young person's parents, this would mean there would be

that many different opinions concerning what sort of treatment, guidance, care, custody or discipline should be given to a young person. I suggest in this sense the words are meaningless. Their first cousin is clause 7 which deals with the limitation on arrest without warrant. I would like to see that clause couched in different terms.

Earlier I mentioned the objections of the provinces to it. A strong objection has come from Mr. Grossman of the province of Ontario, who is their correctional services minister. He said that his department would have to provide about $20 million worth of new accommodation if the federal bill were passed. He said, and I quote from a Canadian Press dispatch in the Ottawa *Journal* of November 18:

• (5:40 p.m.)

He said he doubted if Ottawa would help finance the extra training schools. It was a situation where the federal government drafts legislation the provinces have to pay for.

I think he is quite right. There is no financial help for the provinces in this legislation because I notice that we do not have the resolution that normally accompanies legislation when there is a payment out of the public purse. So, I assume that Mr. Grossman's objection is correct. He also makes the objection—and I referred to it in part earlier—that the bill labels children as criminals and that it would return the judge to the legal straitjacket of giving a determinate sentence. He said that research by his department has shown that legislation "should create a suitable framework for positive action to be taken on behalf of the child rather than against the child". Here I am quoting what Mr. Grossman is alleged to have said as reported in the Toronto *Globe and Mail* of December 10. So, on two separate occasions this responsible minister in our most populous province has voiced his objections to the bill. I suggest he has pretty serious reservations to it.

One would like to take a measure such as this, particularly one that is piloted by a rookie minister, and refer it to a committee so that the bugs in it could be ironed out and so that we could come up with a bill that commends itself. But once in a while we have to take a more drastic approach to proposed legislation and we have to reject it out of hand, even at the second reading stage, and say that it is so unworthy of the time of Parliament and its philosophy is so unjust that it cannot be acceped.

That is the reason my friend, the hon. member for Calgary North (Mr. Woolliams), moved his amendment and the reason that I seconded it. I think the bill, in the words of that amendment, should not now be read a second time but the subject matter thereof be referred to a task force appointed under the Inquiries Act. Surely, Canadian youth not only expects better but should be given something better than what has been placed before us.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, in spite of the technical problems, I shall begin. I wish to speak on Bill C-192 respecting young offenders, which was long in coming.

[Mr. McCleave.]

Indeed, the last legislation on the subject goes back to about 1929, if my memory serves me well. Nothing much has been done since and today in 1971, we have before us a bill which raises a general outcry from coast to coast, we must admit it, although it contains some good points.

Mr. Speaker, I should like at the outset of my remarks to make a review of the main provisions of this bill that I find especially pernicious, and whereby instead of making progress, of becoming more humane, of improving things, we keep on treating juvenile delinquents a little like dirt. I am sorry to say that, but that is the way I see it.

Under the existing Juvenile Delinquents Act a teenager up to 16 or 17 years of age, that depends on the province, can be found guilty only of juvenile delinquency. Now under the provisions of Bill C-192, a young person could be found guilty of any, and I quote:

—offence created by an Act of the Parliament of Canada or by any ordinance made thereunder—

I am now referring to clause 2.

Mr. Speaker, clause 2 puts in another light the problem of the young delinquent, who is practically without any protection at the responsibility level, insofar as the breach of any federal law is concerned. From now on, the young person who transgresses any law of Canada can become a criminal and be considered as such.

Secondly, the procedure of the court before which the young person will appear, once he is charged, will be under Bill C-192 much more formal, and here I refer to clauses 26 and 28.

Let us point out the presence of a lawyer to advise the young person and the elements of a real trial, including the cross-examination of witnesses, as well as the sentence set by the judge, if the latter finds the young person guilty of an offence.

None of these elements is to be found in the old act, but according to the bill proposed today, the young person, the young offender, will be put in the same overwhelming atmosphere as adults guilty of any offence under the Criminal Code.

The young person who knows practically nothing of life, whose experience of life will have been nothing but unhappy, of whom one often says that he is not directly responsible, finds himself in a world of adults where his future is at stake while he, very often, does not really understand how it is that he has ended up there.

We, adults, who want to help the young, give so much importance to their situation that they feel that everybody is against them instead of helping them.

What the young people need is not a court, not a cross-examination of witnesses, not sentencing, not a judge; instead they need more understanding, more human feelings and above all rehabilitation.

One clause of Bill C-192 state that a young person shall be, and I quote,

—dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision,—

The bill is in fact a miniature Criminal Code.

The same philosophy still prevails in other clauses of the Bill.

If the hon. minister, on the one hand, seeks to modernize legislation in this field it is obvious that his actions go much farther than his thoughts and, in fact, he puts young persons who have been found guilty of an offence in a situation where they will not be considered as juvenile delinquents but rather as juvenile criminals, a feature which stems from the bill now before us.

For instance, under clause 30 (4), a young person found guilty of an offence for which the minimum sentence is death or life imprisonment can be committed to a training school till age 21. Then, he shall be taken before a Superior Court which shall sentence him as if he had then and there been convicted of the offence that he was found to have committed. Otherwise, the young offender will be struck twice: the first time being committed to a training school—we should rather say a breaking-in school, as for animals—until he is 21, and the second time, at 21, when receiving a sentence now imposed by the Superior Court.

Mr. Speaker, this bill creates not only a criminal condition, but proves harsher for the young person found to have committed an offence than for the adult recognized as such under the Criminal Code.

I am now continuing my analysis and shall refer to clause 74. In fact, according to clause 74 of the proposed legislation, if the judge so orders, the Identification of Criminals Act can apply to a young person. In other words, the police can photograph the young person, take his fingerprints and bully him without the consideration due to a human being, as is still done today for adults.

Mr. Speaker, here again, a de tacts situation is created, the young person is being upset and no effort is made to understand him.

May I be allowed, on the conclusion of this analysis, to revert to this particular point.

According to paragraph (3) of clause 19, and I quote:

—a young person apparently over the age of fourteen years who cannot, in the opinion of the judge or the clerk of the court, be detained safely in any other available place, may be detained in a place where adults are detained pending his first appearance in court or during an adjournment of his hearing.

• (5:50 p.m.)

So, Mr. Speaker, not only is the young person immerged in a noxious legal situation, but still the society will not succeed in rehabilitating him, not even in understanding him. Not only will he be judged, not only will he be condemned, not only will he be sent forcibly to a reformatory, but in addition he will be thrown in prison with adult criminals, with men often perverted in their minds or acts, so that when the youth comes out he will be twice as bad, if I may use the expression, as before.

Under clause 30 (1), the judge may place the adolescent on probation, or place him in a foster home or group home, or again, place him under the care of a children's aid society for a period of two years at the most, which point is important. I am inclined to think that the minister did not dwell on that point, that he did not deal with both sides of the matter with regard to that period "not exceeding two years" during which the judge can still send the adolescent to a training school for a period of three years at the most.

Mr. Speaker, all this boils down to a sentence imposed by the judge for a minimum as well as a maximum period, exactly as is the case with criminals.

Under the present legislation the judge does not have that sentencing power. He commits the young person to one of the above-mentioned institutions until he is rehabilitated. Under the bill for which the minister seeks approval, the judge gives the young person a sentence of two or three years. It is a matter of "take it or leave it." No maximum or minimum sentence is imposed under the existing legislation but under the proposed measure there are definite sentences—for instance two or three years—against a youth depending on how serious the offence or whether the judge is competent or not.

Mr. Speaker, there is no clause in that bill dealing with the delinquent's rehabilitation nor with the humanization of his condition. If a young person has reached the point where he can be considered as young delinquent, in most cases it is because his family or school circle have not shown enough understanding, have forgotten or rejected him. Feeling psychologically rejected, he has reacted and has attempted to create his own society. This is the problem of our youth. Since society does not give him the opportunity to integrate and live like others, the youth breaks away and attacks that society which considers him guilty of offences.

Finally, our society, which is responsible for the situation of the teenager, condemns him because it is stronger. Under the pretext of improving the situation, the minister makes it more serious by considering it as criminal.

Mr. Speaker, reformatories for young offenders have long been considered as coercive institutes. The so-called Saint-Vallier Home, which is operated by the Corporation Berthelet-Saint-Vallier, has become a dump where more than 250 children and teen-agers are thrown together.

What is the minister doing? Absolutely nothing! But at the same time he considers the young offender as a criminal. Will he change this situation? No, Mr. Speaker. He will show obstinacy, he will argue with Quebec about who is responsible. There is the conflict of jurisdiction!

Mr. Speaker, for a long time we have confused the predelinquent and the delinquent as we still do today. Some delinquents are very dangerous individuals and yet

we confuse them with the mentally deficient and youngsters who are simply unhappy or abandoned, so that in the end they are all together and irrecuperable as their situation has deteriorated and we have been unable, I will not say to list them, but at least to understand them and their personal problems.

These adolescents literally rot without proper care. The bill under consideration will contribute to aggravate the problem if the government does not decide to invest the necessary suns of money towards the fulfilment of the human person.

Mr. Speaker, assuring sound fulfilment to the human person, particularly to helpless people, is priceless. It is not a matter of money, it should be a matter of time. This matter should be dealt with; it is of great urgency.

The report of the Prévost Commission of Quebec is a charge against the judiciary system, including legislation, social welfare courts, judges of juvenile courts, government inefficiency, jurisdictional conflicts, juvenile reception and detention centres, and also against the citizenry's refusal to carry out its responsibilities towards the forsaken young.

Mr. Speaker, no account is taken of the findings of the Prévost Commission when—

The Acting Speaker (Mr. Laniel): Order. I am sorry to interrupt the hon. member, but, as it is six o'clock, the House stands adjourned until 2 p.m. tomorrow.

At 6 p.m. the House adjourned, without question being put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, January 14, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

POLLUTION

LAKES ERIE AND ONTARIO AND ST. LAWRENCE RIVER—TABLING OF FINAL REPORT OF INTERNATIONAL JOINT COMMISSION

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to table herewith the report of the International Joint Commission on pollution of Lake Erie, Lake Ontario and the international section of the St. Lawrence River. This report is also being released in Washington today by the government of the United States.

The final report represents the culmination of six years of work following upon a request in October, 1964, as supplemented by a further request in 1969 to the IJC by the two governments for an inquiry into the extent, causes and locations of pollution in these waters.

The breadth and scope of this report shatters all precedents. It deals with the most extensive water pollution studies undertaken anywhere to date. The report provides guidelines that can be an inspiration to the peoples of Canada and the United States in the critical period ahead to deal with the Great Lakes pollution problem. It provides a basis for the concrete action that is now already under way with the assistance of the interim reports that the commission has made to the two governments over the period of the entire study.

• (2:10 p.m.)

In this report the IJC states that:

1. The waters are being seriously polluted on both sides of the boundary to the detriment of both countries to an extent that is causing injury to health and property.

2. The polluted waters are lakewide in extent; the principal causes are wastes discharged into the boundary waters and their tributaries by municipalities and industries.

3. Urgent remedial measures are required; these are set out in specific recommendations for action by the two governments and all responsible jurisdictions in both countries. Programs to be agreed upon to meet the water quality objectives are set out in the report. These are aimed to bring about immediate reduction of the phosphorus content in detergents, the prompt implementation of vigorous programs to treat municipal and industrial waste, and the reduction of phosphorus inputs into these waters. The report also contains programs to deal with problems caused by oil spills, mercury, radioactive substances and other hazardous material entering these waters.

The need for urgent action is based on the commission's findings that Lake Erie, particularly its western basin, is in an advanced state of eutrophication, and that accelerated eutrophication is taking place in Lake Ontario.

The report recognizes that governments will have to enter into agreements for the carrying out of programs and of measures and schedules to achieve them. The report recommends that the commission be given the authority, responsibility and means for co-ordinating and ensuring the necessary surveillance and monitoring of water quality and of the effectiveness of pollution abatement programs. It further recommends that the reference of October, 1964, be extended to authorize it to investigate pollution in the remaining boundary waters in the Great Lakes system and waters flowing into it.

A meeting with the United States at the ministerial level in Ottawa last June initiated discussions which are now continuing between the two countries aimed at more effective co-operative action to control pollution and water quality in the Great Lakes.

The June meeting, at which Canada was represented by members of the federal and Ontario governments, established a joint Canada-United States working group to study various ways of creating a more effective basis for co-operation to deal with Great Lakes pollution in light of the findings and recommendations to be contained in the final IJC report as now presented.

The joint working group met in Washington in September and organized ten subgroups to examine in detail particular aspects of the problem. On the Canadian side, some 100 experts from several federal government departments and from Ontario government departments and agencies are involved, together with a corresponding number of officials from United States federal departments and Great Lakes States' governments.

The joint working group will report to a second ministerial meeting on Great Lakes pollution planned to take place later this year. Decisions taken at this second ministerial meeting will provide for concerted programs aimed to achieve agreed water quality objectives and the means to put such programs into action. These programs will include a commitment to implement other recommendations contained in the report and to establish effective mechanisms to perform the necessary surveillance functions.

In conclusion, I would like to thank the many people in Canada and the United States who have contributed to the work behind this important report. In particular, I would like, on behalf of the government and the people of Canada, to thank Mr. Christian Herter, chairman of the United States section. As members will know, the chairman of the Canadian section for the past eight years was the late Arnold Heeney. His contribution to the work

of the IJC was perhaps the crowning achievement of a life devoted to the public service of Canada.

Some hon. Members: Hear, hear!

Mr. Sharp: I would also like to acknowledge with appreciation the help and support of the public in both Canada and the United States by participation at the commission's public hearings and in other ways. Without such public support this great undertaking, to overcome the Great Lakes water pollution problem, cannot succeed.

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, at the outset I would like to extend the thanks of my party for the courtesy of the minister in making a copy of his statement available to us prior to this afternoon's sitting.

What we have heard this afternoon contains both good news and bad news. I should like to deal with the good news first. It is good news that the minister made a short statement on the matter and that after six years the report has been tabled.

Now for the bad news. What we have before us in this report is a compilation of facts that were evident six years ago. I pay due respect to those who compiled the report because I am certain they did everything they could within the guidelines and regulations laid down for them. Nevertheless, as long as six years ago it was estimated that industrially, privately and commercially along the shores of the Great Lakes 2,800 commissions, agencies and bodies were studying pollution in the Great Lakes system.

The report contains some recommendations which, if implemented, will perhaps improve the situation. Unfortunately however, this government, like other governments before it, still seems to base everything on reaction rather than action. It talks of setting up even more committees, making more analyses, conducting more studies and giving the matter more consideration. Mr. Speaker, I do not think we have that much time left.

Some hon. Members: Hear, hear!

Mr. Danforth: Coming as I do from the shores of Lake Erie I see at first hand the tremendous problems that are caused by pollution. They are not simple because as a result of the actions of this government, the government of the United States, state governments and provincial governments the operations of some of our great industries have come to a halt. The fishing industry has been greatly curtailed because we are not certain whether the fish are contaminated, and until we have established the necessary standards and are certain the taking and using of certain fish is prohibited.

The tourist industry is also affected. People of the world will not come to Canada to enjoy the fishing and recreation in its waters if they feel the waters are polluted. Even worse, expansion of the agricultural industry is being impeded because we do not know what regulations will be established regarding the effluent from cattle feed lots which have become so prevalent because of the rearing of animals in confinement.

There will also be no expansion in the construction of atomic power units or in the development of lumber processing and of steel complexes until the government lays down guidelines and regulations which will enable long term investment in these primary industries. As an indication of how important this is, I point out that while we are delaying in this country the laying down of regulations, Canadian experts are developing a steel complex in Turkey, an atomic plant in India and lumbering in France. We are spending millions of dollars all round the world, money which we need right here in Canada.

Some hon. Members: Hear, hear!

Mr. Danforth: In closing, Mr. Speaker, I would like to make a statement which, like an old law of physics, is a self-evident truth. No matter how many words or how much verbiage are used, the fact still remains that committees, discussions and studies will not solve the problem. It is evident that to solve it millions and millions of dollars must be expended. Governments on both sides of the water system must be willing to spend such sums now to deal with the problem of pollution and clean up the waters of the Great Lakes.

• (2:20 p.m.)

Mr. Andrew Brewin (Greenwood): Mr. Speaker, we too regard the minister's statement and the report that has been tabled as being of the utmost importance and urgency. The report demands a high priority of attention on the part of this and other governments. It concerns Lake Ontario, upon which my constituency abuts and which, to put the words of the report in plain English, is dying. It concerns Lake Erie which is already dead. But its importance extends to all the freshwater resources of Canada upon which the livelihood of many Canadians and the quality of life of many others depend.

The findings of the report are not new but they are clear. First, there is serious pollution on both sides of the boundary. Second, this is caused by wastes discharged in boundary waters and their tributaries by municipalities and industries on either side of the boundary. Third, urgent remedial measures are required. What is now required, Mr. Speaker, is not words but action, concerted action on the international, federal, and indeed provincial levels.

As I have said, the situation is not a new development. In 1909 Article IV of the Boundary Waters Treaty solemnly engaged the high contracting parties, as they were called, that the boundary waters and waters flowing across the boundary should not be polluted on either side to the injury of health or property on the other. This solemn engagement, made 60 years ago, has not been observed properly by either side.

In 1950, 20 years ago, the International Joint Commission produced a report on this very subject, which I have on my desk. The conclusions of the commission at that time were expressed in language almost identical with that of the present report. It said that the waters on both sides of the boundary were then being polluted.

With the treaty clear and the facts clear, what has been the reason for inaction? It has been due to lack of

determination to take adequate measures of enforcement on both sides of the boundary. I suggest there is a new feature now that perhaps will result in a more genuine effort in the future. It is the weapon of public opinion. Public opinion is becoming aroused by this situation and is demanding action. I know that many of my constituents, particularly of the younger generation, are deeply concerned.

The statement refers to a second ministerial meeting on Great Lakes pollution arranged to take place later this year to plan concerted programs and put them into action. The minister's statement does not reveal when this meeting is to take place. I suggest that if it is not to be held at an early date consideration be given to updating it, in consultation with the United States government authorities, in order to get early action. Both sides have wasted too much time and words. The day for effective enforcement and action is long overdue.

May I conclude by paying my personal tribute to Mr. Arnold Heeney who is mentioned in the statement.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the statement by the Secretary of State for External Affairs on the subject of pollution of Lake Erie and Lake Ontario brings no news to the members and the citizens who are familiar with our country and particularly with the Great Lakes area.

Since industry has been pouring waste into those two lakes for so many years, their waters have been polluted for quite a while. For several years, all levels of government have been aware of raw sewage being discharged directly into the lakes.

In fact, 25 years ago the federal government was already aware of the problem raised by pollution of the Great Lakes and of the majority of our rivers, but in those days they were not courageous enough to propose solutions to cure it.

Today, we must face the facts, that is: pollution. While we have been afraid to take measures when it was time, we must now spend millions of dollars to control efficiently pollution of the Great Lakes. And yet, we have found no solution.

We are told: Lake Erie is polluted, and so will Lake Ontario be in a short while, as well as Lake Superior. We have organized meetings, ten years ago, between the representatives of the U.S. and Canadian governments, to find out that these lakes were becoming more and more polluted, and, six months ago, to find out again that they were still polluted. We are looking for solutions.

It is said that it will cost a lot to the citizens to improve the situation, but if we had had the courage to take our responsibilities when there was still time, we would not have to face this problem today. Which does not mean that we should not do anything to improve the situation. On the contrary, it is time, for instance, to forbid big factories to spill their waste into the waters of the Great Lakes, and to forbid municipalities to send their sewage into these lakes, and then to take the necessary steps to clean these waters.

The same problem will crop up with regard to other waterways among which the Ottawa and St. Lawrence Rivers. Today there is even mention of pollution in the far North.

Well, Mr. Speaker, I feel that before we have to repair the damage we should pass legislation designed to prevent altogether pollution of our pure Canadian waters.

* * *

[*English*]

AGRICULTURE

INDUSTRIAL MILK—ANNOUNCEMENT OF MARKET SHARING AGREEMENT BETWEEN CANADIAN DAIRY COMMISSION AND ONTARIO AND QUEBEC MARKETING AGENCIES

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I should like to advise the House that an agreement was signed at 12.30 p.m. today between the Canadian Dairy Commission, on behalf of the federal government, and the milk marketing agencies of Quebec and Ontario, bringing into effect a market sharing system for industrial milk in these two provinces which together produce 80 per cent of the total Canadian milk production. It is expected that the marketing agencies in other provinces will join the plan in the near future.

Some hon. Members: Hear, hear!

Mr. Olson: I am not sure whether spokesmen for the opposition parties have received a copy of this statement. If they have not—

An hon. Member: We have it.

Mr. Olson: That is fine, then. I need say no more about that.

The agreement establishes, as of December 1, 1970, a supply management program for milk used in the manufacture of dairy products and is designed to keep production in balance with domestic requirements on a butterfat basis. It applies to all milk used for manufacturing purposes, whether from industrial or fluid milk producers.

The producer's market quotas will be based on his deliveries between April 1, 1969 and March 31, 1970, or on his subsidy eligibility quota if that is greater than his deliveries.

Each producer will receive a market price related to Canadian price support levels for deliveries up to his market sharing quota. Prices for deliveries over market quota will be related to world prices for surplus dairy products.

The Canadian Dairy Commission has been deducting a holdback from subsidy payments and using this money to offset costs in disposing of surplus products, but will discontinue deducting this holdback from producers' subsidy payments on their eligibility quota in Ontario and

Quebec on their last December deliveries. Producers in those two provinces will receive the full rate of the subsidy of $1.25 per 100 pounds of milk on the basis of their subsidy eligibility quota.

In place of the holdback from the subsidy there will be a levy on the market price paid to producers up to March 31, 1971, of 26 cents per 100 pounds of milk on deliveries by a producer to his market quota and a levy of $2.40 per 100 pounds of milk on deliveries in excess of his market quota. These levies will be collected by the provincial agencies and the funds remitted to the Canadian Dairy Commission to offset costs in disposing of surplus products.

• (2:30 p.m.)

The agreement also applies to cream shippers in Quebec. The levy on cream to be collected is 1 cent per pound butterfat on deliveries up to the producer's market quota and 50.28 cents per pound on deliveries in excess of his market quota.

Although the agreement now covers only Quebec and Ontario, other provinces are considering entering into a similar program and the present agreement provides for replacement by another which would be open to participation by the appropriate agencies of any province.

I wish to congratulate the provincial marketing agencies of these two provinces and the Canadian Dairy Commission on achieving this agreement as well as the farm organizations which have fostered and supported the plan. It is an example of how a co-ordinated approach by national and provincial agencies and producers can operate for the benefit of farmers and their industry. It is our hope that this type of co-operation will be extended to other areas of agriculture through the national marketing bill now before the House.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to say, on behalf of my colleagues, that we consider the minister's statement as being a very valuable and a very fortunate one for the producers of Quebec and Ontario.

I also wish to congratulate provincial marketing agencies which did their best so that, as long last, this agreement could be signed. In fact, I believe that this will be done today.

I have received a copy of the statement a few minutes ago and I would like to comment briefly on it.

Undoutedly, this statement is in itself a good thing, but it would be erroneous to think that it will bring about better days for all milk producers.

It might be well to go back to last year, at a time when dairy policies had been quite stormily discussed. I well remember adverse criticism of the "penalization" which, according to the minister's statement, is finally being abolished, a penalization which was fatal for a number of producers both in Ontario and in Quebec. That is certainly good news for those still involved in the dairy industry.

[Mr. Olson.]

Nevertheless, Mr. Speaker, I still regret that no assurance was given to dairy producers that there would be free distribution of milk in schools and shelters ensuring additional consumption of our surplus production.

We had hoped that a pension scheme might be established for older farmers forced to give up dairy production, and also retraining courses for younger ones who want to earn their living in another field because their operation is not profitable enough.

In the light of the current increase in the cost of living and in costs, I would have hoped that the support price would be raised to $10.

I trust that these few comments will be considered by the minister and that following this excellent news our milk producers will also be able to expect to fare better, which can only be achieved through the enactment of a policy which is more human than the previous one. This government must do away with the disincentive policy which resulted in a large number of milk producers being forced out of business and who have been on welfare for year or two.

I hope the Minister of Agriculture (Mr. Olson), being aware of such problems, will shortly announce a new policy in the best interests of milk producers, not only in Ontario and Quebec, but throughout the country.

[*English*]

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, as the provinces of Ontario and Quebec and the producer organizations concur in the program which has been developed, I assume that it is reasonably satisfactory to the producers in those provinces. This may be too much to assume in that similar programs introduced in the past have later proved to be unsatisfactory to a considerable number of producers.

The minister's statement implies that other provinces will participate in this program on the basis of this agreement. It seems to me that the other provinces, particularly those in the west, will be faced with the situation of two major provinces having reached agreement on a pattern and the other provinces being called upon to sign a protocol. I am not sure whether the protocol will serve these other provinces well.

It is not made clear what deduction will apply to cream shippers in other provinces if they participate in a similar agreement. In fact, the situation of the cream shippers in other provinces is not necessarily the same. What will happen to the cream shippers in Saskatchewan who, in desperation, have been producing cream without benefit of the subsidy because they have no other way of obtaining funds? What will be the amount of their deduction if they come into the plan? The minister stated that another agreement will be signed and we do not know what that agreement is.

The minister also stated "It is our hope that this type of co-operation will be extended to other areas of agriculture through the national marketing bill now before the House." If the national marketing bill is

passed, I hope this agreement will not set the pattern. Many members from other parts of Canada will insist that the two major provinces should not set the pattern for the sale and subsidization of agricultural products in other parts of Canada. There must be negotiation with all the provinces concerned before an agreement is signed and approved by the government.

I do not think this agreement is good enough. I appreciate the difficulties, but I have strong reservations about the minister's statement that, because an agreement has been reached between the government and the two largest provinces, possibly in due time the other provinces will enter into the same or a similar agreement. The day before yesterday a cream shipper in my province spoke to me about the size of the deductions. The livelihood of many people depends on this policy. I hope serious consideration will be given to the producers of the other provinces. Although the two provinces that have signed the agreement represent 80 per cent of the production, the other 20 per cent is very important to a large number of farmers.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to comment briefly on the statement which the hon. Minister of Agriculture (Mr. Olson) has just made. I had been looking forward to hearing this statement for a number of weeks in the hope that it would announce changes in the area of collection. In short we are just changing collectors since instead of the Canadian Dairy Commission boards and producer organizations are going to do the collecting.

I had also hoped for improvements in price levels.

For three years the dairy industry has been the subject of many discussions between the producers on one side and the government on the other side, not only the present government but also its predecessors as well as the provincial governments.

A lot has also been written about this important industry. For a long while, we have had to contend with the writings of some newspapermen like, for instance, Mr. Jean Simoneau, of the Sherbrooke *Tribune*. This man was making statements even before the House could learn about the issues and this was absolutely against the rules. This same man has disparaged all of us federal members. We were dragged out into the streets like dirty pigs, like headless animals, during the demonstration which took place in Sherbrooke. Yet, God knows how earnestly we exerted ourselves to improve the lot of industrial milk producers. We worked hard to have certain regulations passed, to obtain a better legislation, to extend the consumer markets wherever possible. People do not seem to be aware of the efforts we made with a view to improving the situation.

Mr. Speaker, the dairy industry is vital to the province of Quebec, even though a lot of farmers—thousands in fact—have been obliged to give it up because of the lack of income. Today, we were hoping for a statement on an improvement in the field of prices.

I remember that for several weeks the Committee on Agriculture has been studying this important question of the dairy industry. We heard knowledgeable witnesses Serious briefs were submitted and interesting suggestions were made which we might implement. All this has been put aside; we let time slip by with the idea that things would settle, so that small producers disappeared one after the other. Our organizations, our industrial milk producers had undertaken to reduce production even in the face of an increased demand by the consumers. Since consumption is tied to the purchasing power of the public, the demand is smaller. So our producers have accepted with difficulty and reluctantly to lower production in line with purchasing power of the masses and the possibilities of the market. At that time we get the promise that, if we could reduce production down to the suggested level, there would be an improvement in prices.

In his statement, the minister said that the agreement signed today would be effective as of December 1, 1970. In my opinion, it would have been possible—and I make the request while it is not too late—considering improvements in the field of exports and the reduced production, to make it retroactive to April 1, 1970. The milk production for the full year 1970-71 would have been covered and there could have been considerable improvements in the revenue as well as a smaller penalty against those who had surplesses.

In any event, I urge the Minister of Agriculture to keep on working to improve the situation so that the few producers who are still active get the greater returns to which they are entitled. I insist because I know the situation. Every day I get letters in my office from people asking that everything possible be done to improve the situation.

I would like, contrary to my habit, make a slight digression, Mr. Speaker, if you allow me—

Mr. Speaker: Order. Before the hon. member makes his digression, I must remind him that under the rules, the remarks of a party spokesman, following a minister's statement, must be brief. The hon. member stated at the beginning that he would speak briefly. He indicated then and there that he might be out of order. I would invite him to conclude his remarks as soon as possible.

Mr. Lambert (Bellechasse): Thank you, Mr. Speaker. I usually follow your advice and I shall do so today. I am respectful of the standing orders.

The digression is this, and I make it without malice. It happens that members of my party represent rural ridings. Some organizers with or without malice say that the dairy industry is in a fix, it is because those ridings are represented by Creditistes. Now, the Minister of Agriculture himself is a Creditiste—

Mr. Speaker: Order, I take it for granted that the hon. member has finished his digression and is about to conclude his remarks.

The Canadian Economy

[*English*]

THE CANADIAN ECONOMY

MEASURES TO COMBAT UNEMPLOYMENT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I ask the unanimous consent of the House under Standing Order 43 to move a motion. I base my reason for so doing on the following facts.

During December, unemployment in Canada rose from 476,000 to 538,000 and reached 6.6 per cent of the work force, seasonally adjusted. It was 155,000 higher than in December a year ago. What is particularly alarming is the refusal of the government to introduce measures to stimulate sales of Canadian products and thus increase production and produce more jobs. The government has refused specifically to lower income taxes to stimulate purchasing power and thus increase sales, production and jobs, to lower business taxes to reduce production costs and selling prices, thus increasing production and producing more jobs;—

Mr. Speaker: Order, please. The hon. member should indicate what the motion is that he intends to propose under the terms of Standing Order 43.

Mr. Hees: I have just about arrived at that point, Mr. Speaker—and to introduce tax incentives to increase productivity, thereby lowering costs and selling prices and increasing production and jobs.

The reason I move this motion is the government's persistence in adopting the kind of measures that have proved totally inadequate during the past three years while unemployment has been steadily rising. Therefore I move under Standing Order 43:

That the government immediately convene a meeting of representatives of the provinces, municipalities, organized labour and industry to consider and recommend adequate measures to be taken without delay to stimulate the economy and thereby combat serious and rising unemployment.

Mr. Speaker: Hon. members have heard the motion that would be proposed by the hon. member for Prince Edward-Hastings. The motion requires the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

• (2:50 p.m.)

AIR CANADA

EMPLOYEE LAY-OFFS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. David Orlikow (Winnipeg North): Mr. Speaker, under Standing Order 43 I ask the consent of the House to move the following motion:

That the problem arising as a result of the announcement by Air Canada that 415 employees are to be laid off almost immediately be referred for investigation to the Standing Committee on Transport and Communications, in view of the fact that this announcement comes at a time when unemployment in Canada is higher than it has been during any period in the last ten years.

Mr. Speaker: The motion proposed by the hon. member for Winnipeg North, of which he has just apprised the House, requires unanimous consent. Pursuant to Standing Order 43 the Chair must inquire whether there is unanimity.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent forthcoming and the motion cannot be put.

* * *

POWER

BAY OF FUNDY TIDES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I rise to ask leave of the House to move a motion under Standing Order 43, requesting that immediate action be taken by the government to refer the Atlantic Tidal Power Programming Board report to the Standing Committee on Natural Resources and Public Works.

The Minister of Energy, Mines and Resources has indicated his willingness to review the findings of this board if requested to do so by the governments of the provinces of Nova Scotia and New Brunswick. In view of the fact that such a request has not been made by these governments, I therefore move:

That this House urges the government to refer immediately the report of the Atlantic Tidal Power Programming Board to the Committee on Natural Resources and Public Works, coupled with all other pertinent information presently available and with the power to call witnesses and introduce evidence that pertains to this proposed development.

Mr. Speaker: Again this is a motion which requires the unanimous consent of the House and the Chair must inquire whether there is unanimity in this regard.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion cannot be put.

* * *

INCOME TAX ACT

On the order: Introduction of bills:

December 19, 1970—The Minister of Finance—Bill intituled: "An Act to amend the Income Tax Act and to amend an Act to amend that Act.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I rise on a point of order. I wonder whether this notice could be dropped from the Order Paper for the time being?

Mr. Speaker: Is this agreed.

Some hon. Members: Agreed.

MOTIONS TO ADJOURN UNDER S.O. 26

THE CANADIAN ECONOMY

INCREASE IN UNEMPLOYMENT

Mr. Speaker: Before I recognize the hon. member for Nanaimo-Cowichan-The Islands, perhaps I should indicate that notice of a motion under Standing Order 26 has been received from the hon. member who is now seeking the floor and also from the hon. member for Spadina. They are on the same subject and I would assume that the same ruling, one way or the other, would apply to both motions. Perhaps the Chair should allow both hon. members to state the substance of their proposal, after which the Chair can give a ruling.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I ask leave, seconded by the hon. member for York South (Mr. Lewis), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the present national crisis arising out of the alarming increase in unemployment showing the number of unemployed in December, 1970 as 538,000, the highest in the last decade, an increase of 155,000 over December of the previous year and an increase of 62,000 over the preceding month. Moreover, preliminary surveys show that unemployment for this month will be approximately 100,000 higher than the December figure, thus necessitating an immediate emergency debate so that the government may indicate what steps it intends to take to reduce the human misery involved in this disastrous situation.

Mr. S. Perry Ryan (Spadina): Mr. Speaker, I also ask leave to make a motion under Standing Order 26 for the adjournment of the House to discuss a specific and important matter requiring urgent consideration.

There can be no matter more important and more urgent for discussion in this House today than the unemployment figures released today by the Dominion Bureau of Statistics, when considered in light of the social unrest in Canada.

Mr. Speaker: As I indicated a moment ago, both the hon. member for Nanaimo-Cowichan-The Islands and the hon. member for Spadina gave the required notice under Standing Order 26. The Chair has given the matter very serious consideration in the meantime.

As the House also knows, motions under Standing Order 26 dealing with the unemployment situation in Canada have been proposed on a number of occasions since the beginning of the current session, usually following publication of Dominion Bureau of Statistics reports. The last such motion was proposed on December 10, 1970, by the hon. member for Gander-Twillingate, and on that occasion the Chair made the following ruling:

The hon. member for Gander-Twillingate has given the required notice of his intention to move the motion to which he has just alluded. As the House knows, similar motions have been proposed from time to time following the publication of DBS monthly reports. The rulings of the Chair have consistently indicated that Standing Order 26 is not applicable in such circumstances.

Inquiries of the Ministry

I should add that since the House still has before it consideration of the budget, including an amendment on the subject of unemployment, I must rule that it would not be in order to initiate a new discussion at this time, under Standing Order 26.

I should think the same ruling would have to be made in the present circumstances. The subject matter of the motions is of the greatest importance; it is one of urgency and of concern to all members of the House. At the same time, because of the continuing nature of the problem it is difficult to see how a debate could take place by virtue of Standing Order 26. It is particularly relevant that there is still before the House, as there was when the motion by the hon. member for Gander-Twillingate was proposed about a month ago, an amendment to the budget motion proposed by the hon. member for Edmonton West which deals specifically with the subject matter of unemployment. The fact that the problem is now before the House and that there will be an opportunity to discuss the subject matter of the motions proposed by the two hon. members leads me to the conclusion that the motions ought not to be put at this time.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I rise on a question of privilege. In view of the fact that your Honour has made a ruling denying an emergency debate on unemployment at the present time on the ground that the budget debate has been adjourned, it would seem to be appropriate to inquire whether the government would be willing to resume the adjourned debate either today or within the next two or three days.

Mr. Speaker: Order, please. The hon. member will recognize that this is hardly a question of privilege. It is a valid question and perhaps it might be asked by the hon. member of the House Leader. When we reach the question period in a few minutes I will then recognize the hon. member for that purpose.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

UNEMPLOYMENT—EMERGENCY OR MIDDLE-TERM PROGRAMS TO HALT TREND

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Acting Prime Minister. In light of the unemployment statistics alluded to today, as released by the Dominion Bureau of Statistics and the manpower department, showing the critical unemployment situation across Canada, especially among breadwinners whose ranks have swollen by 56,000 in a one-month period, can the Acting Prime Minister indicate whether the government has any new emergency or middle-term programs which will at least halt the direction of the unemployment trend in Canada?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I share, as does the government, the hon. member's concern about the unemployment situation in Canada. As has already been said in the House, the

government has brought forward a series of measures which are still under discussion in the House in connection with the budget debate. Indeed, there has been a very rapid shift in government policy toward stimulation of the economy. I would welcome at any time on behalf of the government on this important subject and I would be happy to see a debate take place in the next few days.

UNEMPLOYMENT—SUGGESTED RESCINDING OF INCOME TAX SURCHARGE AND BUILDING MATERIALS SALES TAX

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Finance. In view of the very serious statistics which have just been produced regarding mounting unemployment in the country, is he now prepared to revise the position he took when he presented his budget in December? Is he giving any consideration to rescinding the 3 per cent income tax surcharge and removing the sales tax on building materials with a view to stimulating the economy and creating effective demand as one of the best means of helping to solve the unemployment problem?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as has been indicated by the Acting Prime Minister, the government is continuously concerned about unemployment in this country. As a matter of fact, the government's fiscal position has switched almost to the tune of $2 billion since last March. In this regard I should like to point out to hon. members today —

Some hon. Members: Oh, oh!

Mr. Lewis: Don't be so darned complacent about it!

Mr. Speaker: Order, please. The Minister of Finance has the floor and should be allowed to reply to the question asked by the hon. member for Nanaimo-Cowichan-The Islands.

Mr. Benson: Mr. Speaker, far from being complacent about it, the government has changed its fiscal position completely over the past year in this regard. I should also like to indicate that in respect of one of the budget measures, which provides $150 million for provincial projects, we have now been in touch with all of the provinces. They have all indicated their willingness to take these funds and proceed immediately with the expenditure of the $150 million.

Mr. Speaker: Order. I know there are a number of supplementaries, but in fairness at this point I think the Chair should first recognize the hon. member for Edmonton West.

UNEMPLOYMENT—REQUEST FOR RESUMPTION OF BUDGET DEBATE TO DISCUSS PROBLEM

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is addressed to the President of the Privy Council. I should like to ask him whether he would schedule, as the first item of business for Monday, the continuation of the budget debate?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I will consider the representation. The program for the business of the House is laid out and members are prepared for it, but I will consider a resumption of the debate at least for a day at an early opportunity.

UNEMPLOYMENT—SUGGESTED WORKS PROGRAM AND REBATE OF BUILDING MATERIALS SALES TAX IN WINTER MONTHS

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my supplementary is for the Acting Prime Minister as the first question was directed to him. As there are now 50,000 persons on relief and thousands more unemployed in Toronto alone, would the government consider a crash program of winter works and a rebate of the 11 per cent tax on building materials for construction in the winter months?

Some hon. Members: Hear, hear!

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, there is now a very large expenditure program under way as a result of the measures introduced by the government and particularly by the Minister of Finance. I really think this is a time for constructive measures to deal with the underlying causes of unemployment which are very complicated in North America. As the Minister of Finance said, this government, far from taking a complacent view, has switched its fiscal position by $2 billion within a few months.

Mr. Speaker: Order, please. I see that a number of hon. members are seeking the floor for supplementaries. For the moment the Chair will recognize the hon. member for York South and return to hon. members who seek to ask questions on the matters.

UNEMPLOYMENT—MANPOWER RETRAINING—REMOVAL OF PROVISION REQUIRING THREE YEARS IN WORK FORCE

Mr. David Lewis (York South): Mr. Speaker, I should like to address a question to the Minister of Manpower and Immigration in the hope that he will not be as satisfied with the situation as other ministers are. In view of the fact that a very large number of the unemployed are young people, 218,000 out of 538,000, has the minister given further consideration, as he promised last December 10 he would, to the possibility of amending the requirement in the regulations or in the Act of three years in the work force before a trainee may be entitled to allowances? Is he ready to announce such a change at the earliest opportunity?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the training programs of the Department of Manpower of course are extremely useful in providing upgrading for people who are unemployed. The three-year rule is designed to put emphasis on the training and upgrading of those who have been in the work force, and who are not simply regularly in the education process, as well as those who are most likely to be vulnerable to unemployment of a long term nature. It is not the view of the government at this time that these directions should be changed.

[*Translation*]

UNEMPLOYMENT—SPECIAL MEASURES TO ASSIST QUEBEC TO PROVIDE NEW JOBS

Mr. Speaker: The hon. member for Lotbinière on a supplementary?

Mr. André Fortin (Lotbinière): Yes, Mr. Speaker, I wish to direct a question to the Minister of Finance.

In view of the fact that in the province of Quebec in particular 42 per cent of the unemployed are under 25 years of age and that the main objective of the provincial government is to create 100,000 jobs, I wish to ask the Minister of Finance whether serious and specific discussions are presently underway between the federal government and the government of Quebec with a view to finding a quick and specific solution to the serious problem now facing this province by making sure that these 100,000 jobs are actually created?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I think I indicated in my budget speech that many of the measures would be of great assistance to Quebec and, as a matter of fact, of the loan fund of $150 million I mentioned a few moments ago about $68 million will go to the province of Quebec. That province has indicated it is ready to let tenders now and proceed with providing jobs out of this amount of money.

UNEMPLOYMENT—INCOME AND BUSINESS TAX REDUCTIONS, PRODUCTIVITY INCENTIVES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Minister of Finance. In view of the very serious unemployment situation and the forecast that it will grow worse before it becomes better, is the government giving consideration to reducing income taxes and business taxes, as well as granting tax incentives to increase productivity?

Hon E. J. Benson (Minister of Finance): Mr. Speaker, we have of course considered these particular matters. I do not think that reducing the income tax would provide an immediate reduction in unemployment in Canada, as is advocated by the leader of the Opposition who is travelling across the country. As a matter of fact, the reduction in income tax he has suggested would cost over a billion dollars.

Mr. Baldwin: Mr. Speaker, on a point of order, my understanding of rule 15 (3) is that ministers need not reply but when they do their replies should be responsive, intelligent and relevant.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Benson: On a question of privilege, Mr. Speaker, I regret the hon. member's suggestions that what the Leader of the Opposition says across the country is irrelevant.

Inquiries of the Ministry

Mr. Speaker: Order, please. I suggest to the minister that is not a question of privilege. The hon. member for Prince Edward-Hastings is also seeking the floor on a question of privilege. I have a suspicion that perhaps it, too, is not a question of privilege. Perhaps I am wrong and should first hear the hon. member. I feel we are dealing with a very important matter, and a number of members are seeking an opportunity to ask supplementaries, but I will first hear the hon. member for Prince Edward-Hastings on a question of privilege.

Mr. Hees: Mr. Speaker, in reply to the snide remarks made by the minister—

Mr. Speaker: Order, please. The hon. member initiates his remarks by saying that he is replying to the minister's statement. As I have already indicated to the House, there was no question of privilege in the matter raised by the Minister of Finance and therefore it should not be pursued.

UNEMPLOYMENT—PROVISION OF JOBS FOR UNIVERSITY GRADUATES AND STUDENTS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. In view of the fact that soon there will be graduates and some 100,000 undergraduates of universities who will have no opportunity for employment this summer, outside of being sent around the country in buses, has the government any program for them at this time?

Mr. Speaker: Order, please. The Chair will allow the minister to reply briefly, but I doubt whether the House would want the minister to give a general reply to the question at this time.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the question seems to involve some confusion between long-term programs for employment and programs for summer employment for students who have not yet completed their courses. The indications, of course, are that the economy will be improving in 1971 and hopefully many graduates will find jobs as they enter the labour force. On the question of summer employment, I think this question was asked yesterday and I indicated that possibilities are being considered.

Mr. Speaker: Order, please. The hon. member for Calgary North seeks the floor for a supplementary question, but there are seven or eight other hon. members who should be allowed to ask their questions before we get into the second round. I think at this point the Chair should recognize the hon. member for St. John's East.

UNEMPLOYMENT—ACCELERATION OF SPECIAL AREA ECONOMIC EXPANSION PROGRAM TO PROVIDE JOBS

Mr. James A. McGrath (St. John's East): I should like to direct my question to the Minister of Regional Economic Expansion. In view of the critically high unemployment in certain areas of the country, would he consider accelerating the special area provisions in his

regional economic expansion program, in order to accelerate employment in these areas, especially since the program is slow in getting started in areas of critically high unemployment?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we are already doing it and, wherever possible, we will speed up the work.

UNEMPLOYMENT—APPROXIMATE NUMBER OF NEW JOBS IN QUEBEC IN 1971

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to put a supplementary question to the minister.

In view of the fact that estimates set at 50,000 the increase in 1971 of the labour force in the province of Quebec, can he give us an idea of the number of jobs his department will create during the year?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I doubt that I can give exact numbers at the present time.

[*English*]

UNEMPLOYMENT—PLANS TO ASSIST WEST COAST FISHERMEN

Mr. Frank Howard (Skeena): I should like to direct my supplementary question to the Minister of Fisheries and Forestry. Inasmuch as his licence limitation program for salmon fishing has driven fishermen out of the industry and into the ranks of the unemployed, and inasmuch as the minister is not willing to go to Prince Rupert or at least Vancouver to discuss the matter and face the fishermen whom he is driving out of the industry, would he be prepared—

Mr. Speaker: Order, please. I am sure the hon. member recognizes that the form of the question is not in order. Perhaps he might come to the question.

Mr. Howard (Skeena): The form of the question was most necessary, Mr. Speaker, in order to put the matter in perspective. Would the minister be prepared, even if we have to wait until Monday, to stay here and engage in a debate during which he could outline what plans his department has to cope with the chaos that has been created?

Mr. Speaker: Order, please.

Mr. W. C. Scott (Victoria-Haliburton): My question is directed to the Minister of National Health and Welfare. According to the roster he was to be present in the House today, but—

Mr. Speaker: Order, please. Is the hon. member asking a supplementary question?

Mr. Scott: No, Mr. Speaker.

Mr. Speaker: I believe there are still a number of supplementary questions. I appreciate that hon. members have other matters they would like to raise but perhaps we might have a few more supplementary questions first.

[Mr. McGrath.]

UNEMPLOYMENT—SPECIAL ECONOMIC EXPANSION PROGRAMS TO PROVIDE JOBS IN ATLANTIC REGION

Mr. David MacDonald (Egmont): My supplementary question is directed to the Minister of Regional Economic Expansion. In view of the above average increase in unemployment in the Atlantic region between November and December as reported by DBS, and also in view of the possible diminution of the special areas program for expansion, can the minister indicate whether his department will in fact implement special programs to deal with the abnormally high rate of unemployment in the Atlantic region?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the very object of the program is to create jobs in the Maritimes in particular, and also in Quebec.

* * *

UNEMPLOYMENT—ASSURANCE THAT LOAN TO QUEBEC WILL BE USED TO PROVIDE JOBS

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

In answer to my colleague of Lotbinière, he stated a moment ago that amounts of $150 million and $68 million would be paid to Quebec to help that province fight unemployment. Now, I would like to know whether the minister is sure that Quebec will use this money to create new jobs and not to make up the deficit of its Department of Education.

[*English*]

Hon. E. J. Benson (Minister of Finance): Of course, I cannot accept all the facts which the hon. member put forward because I am not sure whether they are correct. I question reliability of his information. However, I should indicate that our information from the province of Quebec is that they will use the $68 million to proceed immediately with work with which otherwise they might not be able to proceed with.

UNEMPLOYMENT—EFFECT OF SEAL QUOTA SYSTEM

Mr. Walter C. Carter (St. John's West): My question is directed to the Minister of Fisheries and Forestry and it concerns unemployment. Would the minister consider eliminating the discriminatory quota system which allows the Norwegians to take 100,000 seals as opposed to the Canadian quota of 50,000, thereby putting Canadians on an unequal footing with the Norwegians?

Mr. Speaker: Order, please. I think we are getting somewhat away from the original question. But I note that the hon. member has an important question to ask, and I will come to him in a moment.

UNEMPLOYMENT—TORONTO—EFFECTIVENESS OF GOVERNMENT PROGRAM

Mr. S. Perry Ryan (Spadina): I have a supplementary question for the Acting Prime Minister resulting from his answer to my first question. Will the time lag on the government's construction program to which he referred be less than three months, and how will the program help the Toronto area in the winter months?

UNEMPLOYMENT—EXPANSION OF ELIGIBILITY FOR WELFARE BENEFITS UNDER CANADA ASSISTANCE PLAN

Mr. David Lewis (York South): I should like to ask the Acting Prime Minister a supplementary question. On December 10 I asked the Prime Minister a question relating to the disastrous increase in welfare costs to the municipalities and communities in Canada arising from increasing unemployment. At that time, the Prime Minister said that the problem was being considered. Can the Acting Prime Minister now say whether the government has considered the possibility of discussing with the provinces the expansion of rights and eligibility for social welfare assistance coming under the Canada Assistance Plan?

Hon. Mitchell Sharp (Acting Prime Minister): As the hon. member probably knows, a meeting is scheduled for later this month with the provincial welfare ministers, at which time I am sure this question will be raised.

UNEMPLOYMENT—REQUEST FOR INFORMATION ON FORECASTS

Mr. John Lundrigan (Gander-Twillingate): My supplementary question is for the Acting Prime Minister. In view of the fact that the government's forecasting machinery has gone seriously awry, has the government made any new estimates and forecasts of the expected unemployment parameters? Would the Acting Prime Minister be prepared, in co-operation with the Minister of Finance and the Minister of Manpower and Immigration, to make these estimates available to the Canadian people and members of the House of Commons?

Hon. Mitchell Sharp (Acting Prime Minister): As I recollect, the Minister of Finance in his budget speech forecast the course of events. He forecast a steady reduction in seasonally adjusted unemployment during 1971. We have no reason to change this forecast.

Mr. Lundrigan: On a point of order—

Mr. Speaker: Order, please. I will recognize the hon. member for Gander-Twillingate on a point of order, but I suggest that perhaps we might give other hon. members an opportunity to take part in the question period after I have recognized the hon. member.

Mr. Lundrigan: I would like to say for the record that the Minister of Finance did say that the unemployment picture—

Inquiries of the Ministry

Mr. Speaker: Order, please. I suggest to the hon. member that this is a point of debate, not a point of order.

Mr. Lundrigan: On a question of privilege—

Mr. Speaker: The hon. member now wishes to rise on a question of privilege, I understand.

Mr. Lundrigan: The Acting Prime Minister, in giving information to the House, is certainly misrepresenting the words of the Minister of Finance—

Mr. Speaker: Order, please.

UNEMPLOYMENT—ACCELERATION OF PUBLIC WORKS PROJECTS

Mr. Robert McCleave (Halifax-East Hants): My supplementary question is directed to the Minister of Public Works. I wish to ask the hon. gentleman whether anything has been placed in the Public Works coffers since December 15 in view of the very serious unemployment situation?

An hon. Member: Wake him up.

Hon. Arthur Laing (Minister of Public Works): Yes, a sum of $23 million has been made available. In addition, we are accelerating the work under way not only in the Maritimes and in Quebec; we are also bringing forward in the Prairie Provinces and in the province of British Columbia work which we had intended to do later.

Mr. McGrath: Hear, hear. That is the only responsible answer we have received today.

UNEMPLOYMENT—FORECAST FOR MARCH, 1971

Mr. David Orlikow (Winnipeg North): My question is directed to the Minister of Finance. In view of the estimate by responsible academic economists that the number of unemployed by March of this year will be over 750,000, could the Minister of Finance indicate to the House whether the estimates prepared by his department confirm or reject this estimate?

Hon. E. J. Benson (Minister of Finance): This question was raised a little earlier. In my budget speech I said that I felt seasonally adjusted unemployment had peaked and would gradually work downwards. I also said that there may be month to month fluctuations from the trend, and one-tenth of one per cent represents a month to month fluctuation.

Mr. Speaker: Order, please. I think we should now give an opportunity to the hon. member for Victoria-Haliburton.

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HEALTH

REPORTED REJECTION BY ONTARIO OF CERTAIN DRUGS APPROVED BY FEDERAL DEPARTMENT

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, I will direct my question to the minister answering for the

Minister of National Health and Welfare. It concerns reports that the Ontario health department's Parcost program has been rejecting drugs for use in Ontario that have previously been approved by the federal department of health. I would like to ask the minister if he is aware of this practice, and whether or not he has had discussions with the Ontario provincial Minister of Health with a view to clarifying the situation?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I will take that question as notice for the minister and get an answer for the hon. member.

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EXTERNAL AFFAIRS

SALE OF ARMS BY FRANCE TO SOUTH AFRICA—CANADIAN POSITION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I move to another topic arising out of questions that were asked yesterday in connection with the sale of arms to South Africa. Would the Acting Prime Minister say whether or not Canada, as one of the member nations of the Francophone organization, has taken up the question and objected to the Republic of France selling arms to South Africa during recent months? In particular, have any direct representations in this regard been made to France, which today is one of the leading merchants of death?

Some hon. Members: Oh, oh!

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as the right hon. gentleman knows, the Francophone organization is concerned wholely with cultural, educational and technical matters. It does not have, as does the Commonwealth, any political ties and it would not be appropriate to raise in the Francophone organization questions of this kind. But may I say that in the United Nations Canada has made its position quite plain on this issue, and I join with the right hon. gentleman in expressing the hope that no country will supply arms to South Africa.

Mr. Diefenbaker: Mr. Speaker, I shall not answer the misinterpretation placed on my words by the minister because, after all, deception under the new rules has become a rule in which some of the ministers are proficient. I ask the minister directly. In view of the interest of Canada in assuring that South Africa shall not receive arms, have representations been made to the Republic of France against the large sales that are being made by it, not only to South Africa but to other countries?

Mr. Sharp: Yes, Mr. Speaker, as I have said we have joined in the United Nations in opposing France, as well as all other countries supplying arms to South Africa. I have no hesitation in associating myself with the right hon. gentleman on this, and I hope he associates himself with the government's position in opposing the action of the British government if they decide to do so.

Some hon. Members: Oh, oh!

[Mr. Scott.]

Mr. Speaker: Order, please. I believe the right hon. gentleman is seeking the floor for the purpose of asking a supplementary question.

Mr. Diefenbaker: Yes. I am not used to having brush-offs, and I ask the minister specifically, have representations been made to the government of France? Isn't that a simple question?

Mr. Speaker: Order, please. The hon. member for Egmont.

SALE OF ARMS BY FRANCE TO SOUTH AFRICA—CANADIAN ABSTENTION FROM UNITED NATIONS VOTES

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a supplementary question to the Acting Prime Minister. Since he mentioned earlier that our position has been made clear at the United Nations, could he indicate if this was the reason for our abstention from a number of votes on this question in October?

Hon. Mitchell Sharp (Acting Prime Minister): It was the reason that, with the approval of this Parliament, Canada decided not to supply any arms to South Africa, notwithstanding some of the resent representations I have heard by some members of the hon. member's party to the effect that we should resume shipment.

Some hon. Members: Hear, hear!

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FINANCE

SUGGESTED INCREASE IN FUND FOR LOANS TO PROVINCES TO COMBAT UNEMPLOYMENT

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Minister of Finance. In view of the reported willingness of the provinces to make use of the loan fund announced in the budget, and in view of the fact that a seasonal upturn in unemployment rates of .1 means some 60,000 to 70,000 jobs, will the minister consider an increase in the moneys allocated to this fund, and will he consider making a portion of the payments from this fund in the form of grants?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the size and the amount of the fund were clearly outlined in the budget speech. I should indicate that the amount of money involved in this fund is about six times what used to be spent annually on winter works.

Mr. Burton: Mr. Speaker, have any of the provinces made a request for allocation of a larger amount of funds than was announced in the budget?

Mr. Benson: The allocation was made on the basis announced in the budget speech. Officials of the Department of Finance and of other departments have been in touch with the provinces, and most of the provinces have indicated exactly how they will use the funds.

[*Translation*]

THE CENSUS

METHOD OF RECRUITING COMMISSIONERS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to address a question to the Minister of Industry, Trade and Commerce.

As 1971 is national census year, what procedure will be adopted by the Department of Industry, Trade and Commerce to choose the district commissioners who will be responsible for the census in every constituency?

Mr. Speaker: I would suggest to the hon. member that this question could be placed on the order paper. If it is urgent, the House would be willing to consider it at the time of adjournment.

Mr. Lambert (Bellechasse): I wish to ask a supplementary question, Mr. Speaker.

Mr. Speaker: Order. The hon. member cannot ask a supplementary to a question which was ruled out of order. However, the hon. member might perhaps ask another question.

Mr. Lambert (Bellechasse): Thank you, Mr. Speaker. My question is the following: Since the government will certainly appoint commissioners to take the census, could he tell the House what qualifications will be required of them as how they will be appointed? I consider this matter as an urgent one, because, according to my information, this will be done shortly.

Mr. Speaker: If there is an emergency, as the hon. member suggests, it might be useful to discuss the matter at the time of adjournment, if the hon. member would kindly give me notice of it.

Mr. Lambert (Bellechasse): At ten o'clock, Mr. Speaker.

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[*English*]

INFORMATION CANADA

INQUIRY AS TO OFFICIALS ACCOMPANYING PRIME MINISTER ON ASIAN TRIP

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister without Portfolio in charge of Information Canada. Since reports indicate that there are 15 members from the CBC and five from Weekend News Magazine accompanying the Prime Minister on his trip abroad to report on the Prime Minister's numerous frolics, has Information Canada any members accompanying the Prime Minister? If so, are they wearing their maple leaves as described yesterday by the hon. member for Lambton-Kent?

Hon. Robert Stanbury (Minister without Portfolio): The answer in both cases, Mr. Speaker, is no.

Inquiries of the Ministry

PUBLIC WORKS

BRIDGEWATER, N.S.—INQUIRY AS TO CONSTRUCTION OF PUBLIC BUILDING

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Public Works. In view of the statement made today by the Minister of Public Works concerning work projects being moved ahead, could he indicate when the public building promised by his predecessor for Bridgewater, Nova Scotia, in 1968, will be built?

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FINANCE

REQUEST FOR STATEMENT ON TAX REFORM INTENTIONS

Mr. F. J. Bigg (Pembina): Mr. Speaker, I have a question for the Minister of Finance. In light of the unacceptable climate of slow growth and uncertainty in the economy, is the minister prepared to state on motions the government's specific intentions in the area of tax reform?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, very recently I stated in the budget, which is still under debate—I understand we are going to have another day's debate on it very soon—the government's outlook with respect to the economy and economic policy. In the area of tax reform, which will not result in any additional revenue for the federal government, I have indicated a system of reforming taxation which I would hope to bring forward next spring.

Mr. Bigg: Mr. Speaker, perhaps it will assist the minister if I ask a supplementary question. In order to stimulate the housing industry, is the minister now prepared to drop publicly the idea of a capital gains tax with a five-year re-evaluation clause applying to housing?

Mr. Benson: Mr. Speaker, there never was a capital gains tax with a five-year re-evaluation clause applying to housing in the white paper.

* * *

THE CANADIAN ECONOMY

UNEMPLOYMENT—DISCUSSION WITH PROVINCES OF CRASH PROGRAM TO PROVIDE JOBS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I would like to ask the Acting Prime Minister a very simple question. In light of the fact that the budget proposals advanced by the minister responsible for fluctuations have not been effective, has the Prime Minister or the government any intention of discussing with the provincial governments and other people an immediate crash program to deal with the very serious unemployment situation that now exists and will continue for the next three or four months at least?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, we have been discussing with the provinces, as the Minister of Finance has said, the implementation of

the proposals that are already under discussion. I do think, if I may so suggest, that the time to have this debate is not the question period but during the debate on the budget, which I hope will be very soon.

Mr. Baldwin: On a point of order, Mr. Speaker, we have been trying for six months to persuade this government to do the things which it now finds, too late, should have been done before.

* * *

FISHERIES

SEALS—ALLEGED DISCRIMINATION AGAINST CANADA IN QUOTA

Mr. Walter C. Carter (St. John's West): Mr. Speaker, may I again direct my question to the Minister of Fisheries and Forestry. I do so with great respect to your earlier ruling. I contend that the question concerns unemployment because the regulations of the department which are being imposed by the minister are having the effect of preventing a number of people—

Mr. Speaker: Order, please. The hon. member has the floor not for the purpose of disputing the Chair's ruling but for the purpose of asking a question.

Mr. Carter: Mr. Speaker, may I direct my question to the minister or to his Parliamentary Secretary. Would the minister give consideration to removing the discriminatory quota which allows the Norwegians to double their harvest of seals from the Canadian front as opposed to our own sealers?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, the minister may wish to give that matter consideration.

Mr. Woolliams: Why is the minister not here?

Mr. MacInnis: Mr. Speaker, I rise on a point of order as a result of a remark made by the Acting Prime Minister and the ruling you just made. When the hon. member for St. John's West asked his question Your Honour said that he could not dispute the Chair's ruling. The Acting Prime Minister has reflected on the decorum of the House and on the Speaker by saying that a debate was going on during the question period.

Some hon. Members: Hear, hear!

Mr. McGrath: Shame!

Mr. Speaker: Order. The hon. member for Saskatoon-Biggar.

* * *

GRAIN

WHEAT—SECURING OF FULL SHARE OF MARKETS FOR CANADA IN NEGOTIATING INTERNATIONAL AGREEMENT

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the minister in charge of the Wheat Board. In view of the statement made by Dr. Shebeski, the eminent crop scientist at the University of Manitoba, while speaking in Saskatoon, that Canada had lost a substantial percentage of its share of the international wheat market, can the minister assure the House that in the coming negotiations in Geneva for a new international wheat agreement, Canada will make every attempt to negotiate an agreement which will permit us to recover our full share of the international wheat market?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I have not seen the statement to which reference has been made. Of course, it could have been accurate about a situation which has long since passed. Since then, exports of wheat and other grains from Canada have shown very substantial increases. Canada again has a very significant share of world markets not only in wheat but in other grains, and there have been record rates of exports of barley and rapeseed.

* * *

[Translation]

ADMINISTRATION OF JUSTICE

MONTREAL—ALLEGED TAPPING OF NEWSPAPER TELEPHONE LINES

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Solicitor General.

According to a statement made this morning in Montreal, eavesdropping devices are reported to have been connected to telephone lines of a Montreal daily, and I would ask the minister whether he can tell us if this was done by a police force, federal or provincial. If not, is the minister in a position to assure the House that he will investigate the matter?

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am not aware of such a statement. However, I believe it is recognized here that any question covering national security is one to which replies must be restricted, and I am definitely not implying by this statement that such activities are believed to exist.

* * *

[English]

CAPE BRETON DEVELOPMENT CORPORATION

REQUEST FOR STATEMENT ON PLANS TO CREATE EMPLOYMENT

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. I see that his seat is now very much closer to me, for which I am very pleased. In view of the very serious unemployment situation on Cape Breton Island, may I ask the minister how soon we can expect a statement either from him or from officials of the Cape Breton Development Corporation regarding that corporation's future plans for Cape Breton, with particular emphasis on creating employment?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, it is a well-known fact that there is a branch of DEVCO whose responsibility it is to promote the industrial development of Cape Breton. So, I urge this company to undertake industrial development projects in as many directions and as quickly as possible; but this is not something that can be done overnight.

[*English*]

Mr. Muir: Mr. Speaker, may I ask the minister if it is correct that there is a large-scale plan on his desk awaiting his approval at the moment? If so, how soon will he approve this plan? Also, how soon will he appoint a vice-president in charge of industrial development, a post that has been vacant for many months?

[*Translation*]

Mr. Marchand (Langelier): My answer is no to the first part of the question; there is no detailed plan on my desk. With respect to the vice-presidency, we hope to appoint an incumbent as soon as possible.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

INVESTIGATION OF ALLEGED ATTEMPT BY POLICE TO PLANT DRUGS—REQUEST FOR PUBLIC INQUIRY

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, my question is for the Solicitor General. Further to my question of December 16 to the Minister of Justice concerning the alleged planting of drugs in a residence in a small Saskatchewan city by police officials, may I ask if the Solicitor General can say if the RCMP have as yet completed their investigation into these alleged drug planting attempts? Also, will he give some assurances, if that body has not completed the investigation, that a public inquiry will be initiated, to investigate whether there is any substance to the allegations concerning drug planting attempts?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): I shall certainly look into this matter, Mr. Speaker, and see what it is all about.

* * *

[*English*]

UNEMPLOYMENT INSURANCE

SIZE OF TORONTO OFFICES

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, may I direct my question to the Minister of Labour or to his Parliamentary Secretary. Are the unemployment insurance offices in Toronto so small that applicants for unemployment insurance must stand in line outside, or, is the picture in *Time* magazine not what it purports to be?

Mr. Speaker: Order, please. I doubt that the question as asked is in order. Perhaps the hon. member might like to rephrase his question.

Mr. Cullen: Mr. Speaker, I feel the question is urgent. Are the facilities not adequate? These men are pictured as standing outside, and it is cold. May I ask whether the offices are adequate to meet the needs in Toronto?

Mr. Diefenbaker: To be adequate, they would have to be as large as skyscrapers.

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I am advised that there are no line-ups outside any UIC offices in this country and that the picture in *Time* magazine purporting to show a line-up outside a UIC building in Toronto is misleading in that the building is not a UIC building in that city.

Mr. Baldwin: Where is it then? In Vancouver?

* * *

BUSINESS OF THE HOUSE

FAILURE TO ANSWER ORDER PAPER QUESTION

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question but I am not quite sure how to proceed. Perhaps Your Honour could advise me whether it should be put as a point of order or as a question to the Minister of Agriculture. The problem is that several weeks ago I put a question on the order paper seeking certain statistical information from the Minister of Agriculture. One part of the several parts of the question was:

> What are the names and addresses of the vendors of herds—

I might say that the question refers to certain transfers.

Some hon. Members: Oh, oh!

Mr. Nesbitt: Just a minute, now. I wish to be accurate, Your Honour, and I had a little difficulty seeing without my spectacles. The question related to the transfer of milk quotas. There were eight parts to the question, only three of which are relevant...

An hon. Member: To what?

Mr. Nesbitt: Relevant to this point of order, at least. The relevant parts refer to the names and addresses of the vendors of herds, and the relevant dates are between April, 1970 and December, 1970. The next part asks, what are the names and addresses of the transferees in each case and, third, what, in each case, is the amount of the quota transferred? I might say, Your Honour, that this information is required, under the rules of the Department of Agriculture, to be registered with the department. The reply that came from the minister's office, or presumably from his office, said that it would take 700 man-hours to provide this very brief information which must be kept in the department's ledgers. May I ask the minister why it would take 700 man-hours, which I frankly do not believe, to provide this information which is required under the Act?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the transfer of subsidy eligibility quotas, of course, can take place only between the person who holds that

quota and someone who purchases the herd. The quota goes along with the herd, or any part of the herd.

Mr. Nesbitt: Is that what causes trafficking in quotas?

Mr. Olson: From the way the hon. member put his question, and I will be glad to review it, I understand that all this information relating to all the transfers would have to be taken out of the records. That is where the 700 hours come in. These records are kept by us—

Mr. Speaker: Order, please. I imagine that the matter might be further reviewed elsewhere between the hon. member and the minister.

* * *

EXTERNAL AFFAIRS

ASSURANCE THAT INDIA HAS NOT PRODUCED WEAPON-GRADE PLUTONIUM

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Secretary of State for External Affairs. Is the minister in a position to assure the House that India is not producing and has not produced any weapon grade plutonium PU-239 since it was supplied with the Canada-India reactor in 1960?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, this is a very technical question. I would like to find out exactly what this product is before answering the question. I will take it as notice.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

ACTION TO ALLEVIATE SHORTAGE OF JUDGES—INQUIRY INTO INCREASE IN CRIME

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I would like to answer the question which the hon. member for Peace River asked Tuesday to the Acting Prime Minister in the absence of the hon. Minister of Justice in order to allay his concern over the shortage of judges in the province of Ontario.

The Department of Justice is currently drafting amendments to the Judges Act which will substantially increase the number of judges in that province.

* * *

[*English*]

IMMIGRATION

GROUNDS FOR BARRING ENTRY OF ABBIE HOFFMAN

Mr. Andrew Brewin (Greenwood): I wish to address my question to the Minister of Manpower and Immigration. Yesterday the minister was asked about the admission to Canada of a gentleman named Abbie Hoffman for the purpose of some program. At that time he replied he had not ruled on that matter. I understand that since then this gentleman has been refused admission to Canada. What is the reason for this action? Also, does this represent a change in policy on the part of the department?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I will not repeat my answer of yesterday, Mr. Speaker, since it is on the record. I do not think it is necessarily what the hon. member suggests. I can report a little further on the case. Mr. Hoffman subsequently presented himself at a port of entry. He was examined in accordance with the Immigration Act. He was found to be in a prohibited class under Section 5D of the Act and was ordered deported. He did not appeal.

Mr. Brewin: Will the minister state whether advice was sought from the Department of Justice on whether the offence of which he was convicted in the United States is a crime involving moral turpitude within the meaning of the Immigration Act?

Mr. Lang: I will have to check to see whether specific advice was sought with regard to this particular offence. Of course, there would be general consultations between the departments with regard to the question of how these words should be interpreted over a period of time.

Mr. Speaker: Order, please. The question period expired some minutes ago. Perhaps the matter raised by the hon. member for Greenwood might be continued tomorrow by the hon. member and the hon. member for Egmont. For the moment, perhaps the hon. member for Edmonton Centre might be permitted to ask a question.

Mr. MacDonald (Egmont): On a point of order, Mr. Speaker, because of the iniquitous roster system it will not be possible to continue this matter tomorrow.

Mr. Speaker: Order, please. In view of the circumstances referred to by the hon. member for Egmont, perhaps he might be allowed to ask a supplementary.

Mr. David MacDonald (Egmont): Can the minister indicate the reason why this ruling was different from that of the present House Leader when last September this gentleman was admitted to Canada for a brief period? Has there been a change in policy since the September admittance?

[*Later:*]

Mr. MacDonald (Egmont): I rise on a question of privilege. A moment ago I asked the Minister of Manpower and Immigration the reason for the change of policy. The minister was not permitted to answer. I wonder whether the minister might be permitted to answer because I believe it forms an important part of the inquiry at this point.

Mr. Speaker: When hon. members ask questions such as why a decision is different from what it was before, that is a debating point rather than a legitimate question. This is the reason I interrupted the minister before he had a chance to reply. I am not certain whether he wished to reply. If it is the wish of the House to conclude the matter in some way, the minister might be allowed to reply to the hon. member's question.

Some hon. Members: Agreed.

Mr. Lang: The decision does not reflect any change of policy. Each particular case, of course, has to be examined on its own merits. Obviously, differences of time and circumstances can affect a particular decision.

UNEMPLOYMENT INSURANCE

AMENDMENTS TO ACT TO ASSIST UNEMPLOYED

Mr. Steven E. Paproski (Edmonton Centre): In the absence of the Minister of Labour I will address my question to his Parliamentary Secretary. In light of the increasing levels of unemployment, and particularly the increase of 32,000 unemployed persons between the ages of 18 and 24, is the government now going to introduce emergency amendments to the Unemployment Insurance Act to provide greater access and assistance for the young and hard-core unemployed?

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): I am sure the hon. member is aware that extensive changes in the unemployment insurance regulations are pending. We look forward to his enthusiastic support when the legislation is brought before the House.

Mr. Paproski: I hope we will get them right away instead of in 1972.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baldwin: May I ask the President of the Privy Council as to the business for the balance of this week and next week. Possibly by now he has been able to consider the matter of the budget debate. If it is not going to be resumed soon, will the minister take the advice of the Acting Prime Minister and find some means by which the House can discuss the problem of unemployment?

Mr. MacEachen: Mr. Speaker, I will be glad to give the business of the House and deal with the question of the resumption of the budget debate. We hope to continue today with the young offenders bill. This will be followed by the crop insurance bill, the Northern Canada Power Commission Act amendments, Yukon minerals, the textile legislation, statutory instruments bill and the Canadian National Railway and Air Canada financing bill and then the government organization bill. I have been calling legislation rather than the budget debate in order to get as much legislation as possible before the committees.

In view of the representations made by hon. members and the desirability of dealing with the issue that has been raised, if it is agreeable I propose to interrupt this program, call the budget debate on Monday, have one day on the budget debate and then resume the normal business.

Mr. Baldwin: Will the minister consider extending the debate to two days? At the end of the second day, a vote could be taken on the very reasonable amendment moved by this party. We could then ascertain the views of the government with regard to unemployment. Could there be a two-day debate rather than one?

Mr. MacEachen: For the moment, Mr. Speaker, I think that the opportunity of a full day's debate on unemployment is much more advantageous to the opposition than

if Your Honour had accepted their proposal today, which would provide for a debate after the dinner hour. We might review the situation on Monday evening to see whether there would be any profit in resuming the debate on Tuesday.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I urge the minister to review this matter very seriously. It is not a case of a concession being made to the opposition. The rules permit six days debate on the budget. We have only had two days debate. There must be a further four days. I think that the suggestion that there be at least two days debate on this question at this time is reasonable and that the government should agree to it.

Mr. Howard (Skeena): I suggest to the Government House Leader that it might assist in getting some of the legislation he mentioned dealt with rather quickly if he were to withdraw the young offenders bill and not further offend the House with it.

[*Translation*]

Mr. Fortin: Mr. Speaker, it seems that a two-day debate should take place on the question of unemployment, in view of the differences of opinion which are now obvious. It would perhaps be advisable before the President of the Privy Council takes a decision that he should call together the House Leader of each party in order to discuss this matter and come to a decision which would be acceptable to all parties concerned.

GOVERNMENT ORDERS

YOUNG OFFENDERS ACT

PROVISIONS REGARDING CHILDREN AND YOUNG PERSONS

The House resumed from Wednesday, January 13, consideration of the motion of Mr. Goyer that Bill C-192 respecting young offenders and repealing the Juvenile Delinquents Act be read the second time and referred to the Standing Committee on Justice and Legal Affairs, and the amendment of Mr. Woolliams (p. 2381).

Mr. André Fortin (Lotbinière): Mr. Speaker, at the time of adjournment yesterday, I was speaking about the problem of young offenders and especially about Bill C-192 introduced by the Solicitor General (Mr. Goyer). I then raised several points which I found unfortunate in that bill.

Therefore, Mr. Speaker, I said things and made criticisms that I think are valuable and I hope the Solicitor General will consider them carefully and find there food for thought in order to improve the bill that is before us.

Before closing my remarks, I think it is my duty to suggest to the government some ways to improve the most regrettable aspects of this bill, and, some day, we will have to agree there are many, beginning with the title.

While speaking to the House yesterday, the Solicitor General extolled in every way the merits of this bill, and I quote:

In short, those definitions which describe the young person as a juvenile delinquent have been removed. This shows the intention on the part of the legislator to remove the stigma of some traditional concepts and also to change the application of federal legislation regarding the age limit.

Mr. Speaker, in the title of the bill, we find the contradiction in this philosophy of the Solicitor General, and I quote:

An Act respecting young offenders and to repeal the Juvenile Delinquents Act.

The minister himself said yesterday that we had to modernize the definitions used to refer to the young person. He said that we had to eliminate the odious aspect of some traditional concepts in the old 1929 act. But the minister is not inordinately logical and continues to favour the use of negative and odious concepts and expressions.

Let me now quote the recommendations No. 5 and No. 6 at page 283 of the report of the Committee on Justice and Legal Affairs on juvenile delinquency. I quote:

The term "juvenile delinquent" should be abandoned as a form of legal designation and the term "child offender" and "young offender" should be adopted.

Recommendation No 6 reads as follows:

The title of the "Juvenile Delinquents Act" should be changed to "Children and Young persons Act".

Some might think those recommendations are secondary and unimportant. If the minister had had the slightest logic, when he introduced the bill, he would not have hesitated to change those terms which prove that nothing has been done and that the youth is still submitted to an atmosphere of terror.

We realize that the Solicitor General has limited intentions. His bill is a step backwards. It would have been an improvement if he had at least dared take his inspiration from the legislation of Britain or the Scandinavian countries where the emphasis is not put on the act or offence to condemn or treat the young offender as if he were a criminal, as we shall do if the bill before us is passed, but where there is concern to understand and help the individual himself. They try to give young people moral, physical and spiritual help. In Canada, we sentence them and pile them up in utterly inadequate houses of detention.

Mr. Speaker, the countries I have mentioned are applying methods designed to further young people's education so that these poor fellows are welcomed by society with understanding, love and support.

In Canada, we just herd them together, delinquents and pre-delinquents, alike, morally abandoned children with perversed children so that in the end they come out even worse than before.

Young people need help and understanding, not a disdainful judgement and sentence. If at least justice was fair and not of the kind that the Solicitor General is trying to impose through this bill!

[Mr. Fortin.]

Judges in general, and I am very sorry to have to say this, are not qualified in such matters. They have neither specialized knowledge nor proper training in this field, most of them having been appointed through political patronage as a reward or in order to stop them from hindering politics.

Mr. Speaker, it is the young offender who has to pay the price for this shortsighted policy which benefits only some politicians instead of insuring the development of man.

Now, the problem is much more serious than one would think. Mr. Speaker, may I point out that in the social welfare courts of Quebec alone, incompetent judges—and the solicitor general is well aware of this—have passed judgment on 25,133 young offenders, and, in 1967, on over 28,277.

Mr. Speaker, this represents an annual increase of more than 3,000 cases of teen-agers which have been caught red-handed and to whom no pity is granted. They are thrown in some hangars, jails or completely inadequate homes, with results such as can be seen at the Corporation Berthelet-Saint-Vallier.

When one realizes that henceforth, under the federal legislation under consideration, no distinction shall be made anymore between a 10 year-old child and a 17 or 18 year-old one, one can rightly wonder how far this inhuman system will go.

Mr. Speaker, one must not be surprised if, as of tomorrow, the problem of youngsters who do not integrate in society keeps worsening. We must establish consultation machinery by using the competent services of psychologists, doctors, psychoanalysts, social workers and teachers.

It is urgent that we set up shelters where young people will find peace, security, respect, moral support and understanding. It is urgent that we establish detection and protection services instead of relying on certain irresponsible parents who are anxious to be rid of their children and leave them in charge of welfare courts, saying: Look after them!

Detection services would make it possible to get hold of the adolescent before he becomes delinquent rather than having to try and recuperate him once the case has become practically desperate.

Mr. Speaker, retraining services for judges should also be set up in co-operation with universities so that they may acquire greater competence instead of being political slaves. Also, more judges should be appointed, in order that these cases should no longer be made to drag on, resulting in the rotting away of young people in absolutely unsanitary conditions.

Mr. Speaker, a distinction should also be made between age groups, so that 10 to 14-year olds are not dealt with in the same way as 14 to 18-year olds, since the responsibilities, concepts and experience of life of the latter group are not those of the former.

It is also necessary that the principle of a minimum or maximum sentence of two or three years, which is tantamount to dealing with criminals, be removed from the bill now before us. When a young person appears before

the judge, he is subjected to cross-examination. Furthermore, he has been photographed and fingerprinted. This is absolutely heinous, since he is treated like an out-and-out criminal. And, accordingly, the judge hands down his decision saying: This young person will be confined to such and such a place for two years at the least and three years at the most.

• (4:00 p.m.)

As I pointed out the minister yesterday, there will be cases where young people will be tried twice because of their age if and when this legislation is passed.

It should be kept in mind while we consider this bill that it is not the young offender himself who wished for this unfortunate situation to develop, but our society is responsible for it has rejected him, it has failed to understand him, and has never given him the chances he needed.

Knowing, for instance, that 42 per cent of the unemployed in Quebec are less than 25 years of age, Mr. Speaker, we must ask ourselves whether the younger brothers of these jobless young men and women, realizing the situation which the latter have to face, are not giving up all hope saying there is nothing for them to look forward to. And what do they do then? They try to build a society of their own. This is in fact our problem today.

Bill C-192 is indeed a marvellous tool that will allow the Solicitor general and the judges to sentence and to judge young people for an offence for which they are not responsible.

These young people are victims. They are not guilty as the Solicitor General would like us to believe. According to the bill these young people are young offenders. As far as we are concerned we would like them to be considered as young victims. By considering these young people as offenders we punish them. We would like them to be understood, assisted and given a chance. It might be the only opportunity, the first opportunity these young people will have had in their lives.

Mr. Speaker, as my colleague for Champlain (Mr. Matte) pointed out yesterday, owing to the baleful influence of some irresponsible parents, of certain authorities which do not give a good example, of certain persons who administer justice just like they were sweeping a floor, by simply getting rid of young delinquents or criminals, those youth lose confidence in the future, in the society which adults have erected, in the concepts of understanding, help and hospitality, they lose confidence in the concepts of human respect. If we throw them in rotten foster centers, we will not make decent men and women out of them, only derelicts.

When one reads the report of the Prévost Commission which was set up by the Quebec government to consider this situation, one sees that this study represents a merciless reproof of whatever is going on in this area. On reading the voluminous reports of the Prévost Commission, one realizes that everything remains to be done in the field of juvenile delinquency.

I am astounded to see that the federal government is aware of these things, yet does not act accordingly; they are quite content to introduce a bill to crush the young delinquents further by treating them like so much dirt. Moreover, to hide their inaction or incompetence, they are quite content to nurture the conflicts of jurisdiction between provincial governments.

As hon. member of the NDP said yesterday that the age limit for young people varies according to the provinces.

No uniformity prevails in the administration of justice for a young offender so that in one province he will be convicted whereas, for a similar offence, in another province, he will not be.

Mr. Speaker, one wonders therefore what is the exact purpose of Bill C-192 at a time when everything has to start from scratch, when undertakings should be built on solid ground, when legislation should be based on the humanitarian principles which alone can insure self-fulfillment among young persons.

Mr. Speaker, it is with regret that I see the hon. Solicitor General going for this legislation. Now, in 1971, the most acute problem for Canada is that of its young people for whom we seem to have no use. In fact they are let to vegetate because they were misleadingly told: Do study, do get diplomas, do improve on your qualifications. Today these young people outvie each other with their diplomas, but they have nothing to do for there are no jobs available to them.

Mr. Speaker, youths aged 10 to 18, aware of the situation, are not interested in falling into the trap and undertake studies. Nor are they interested in integrating into this society which denies some happiness, respect and security to their parents. Those young people lack comprehension and have no luck. However—and this is the most dramatic point—it is those youths who will be at the controls of our country tomorrow and it is on them that we rely for building Canada and fulfilling her ideal.

Mr. Speaker, they have been lured in the past and now they will be downgraded by Bill C-192. If in building this country the government fails to use this enormous potential of our youth, if it fails to understand them and give them a sound opportunity to participate really in our country's economy and its socialization, tomorrow we shall have an upset society and past Quebec troubles will keep on aggravating.

It is extremely important that the hon. minister should adopt new ideas, withdraw this pernicious bill, reexamine his concepts, draw inspiration from the new British law and the legislation of the Scandinavian countries since he is a young man. Let him prove it by showing us he understands young people. I have no doubt that if the minister were to put himself in the place of one of those young people huddled up like garbage in reception centres—rejection centres would be more like it—he would immediately throw the bill into the garbage can. Like the right hon. Prime Minister (Mr. Trudeau), he would say: Enough nonsense. If the nonsense is over, let us be realis-

tic and give young people a chance to build this country as our forefathers did.

But if we keep on rejecting young people as we do now in the economic, social and political fields, if we keep on deluding them by saying: Get educated and you will find a position, and that in the end they discover they have nothing, it will be a tragic tomorrow and I say it is this government that will have to bear full responsibility for such a situation.

Mr. Speaker, in concluding I urge the minister to reexamine his position, to forget he is a liberal member and to try to forget that we are in the opposition. I hope in his new function of Solicitor General he will serve all Canadians and not the interest of the Liberal party and will realize that this bill should serve the interest of the young people. I am sure, Mr. Speaker, that if he can get across the narrow political barrier, young people will be happy.

[*English*]

Mr. Steven Otto (York East): Mr. Speaker, I want to congratulate the minister. He is a young man who is well trained in the law. Unlike previous speakers, including the hon. member for Calgary North (Mr. Woolliams), the hon. member for Lotbinière (Mr. Fortin) and the hon. member for Broadview (Mr. Gilbert), I do not believe the minister is not sincerely behind this bill or that it is something he inherited and, therefore, as a good civil servant or a minister he has to go along with it. I have known the hon. gentleman for ten years and he is not that kind of man. I think he is telling us the situation as it is. This is not a perfect bill but it is as good a bill as we could have at this time, and it is a lot better than the Juvenile Delinquents Act now in existence.

After listening to the speakers who preceded me one might think we were discussing a bill in respect of the conduct of young gentlemen and ladies in our social environment, or a bill which might be entitled, how to educate and accustom people to live in our society. What we are dealing with here, and I am looking at the title again, is an act respecting young offenders. In other words, this relates to a part of the Criminal Code.

Mr. Woolliams: Like the young man who loses his driver's licence.

Mr. Otto: Perhaps the hon. member for Calgary North will just listen and hear me out. We have a very small and confined sphere in which we, as Parliament, can act. I am sure we could have a bill that extended to all the corners in respect of treatment, care and mental health of young people. I am sure the hon. member for Lotbinière would not support this government if it were to usurp the jurisdictions of others. What we are saying here is that we have the jurisdiction to draft a criminal code. We are also saying that young people should not be subjected to the severity of the Criminal Code. We are saying the Juvenile Delinquents Act is not doing the job, after so many years, in respect of young people because of the caprice of juvenile court judges. Time and time again, this has been pointed out. So, we have a revision of the law. We hope it is better and I believe it will be proven to be better.

• (4:10 p.m.)

The objections seem to have centred around three points. The one in respect of the name I believe I can dispose of very quickly. In fact, I believe the briefs I have read complained about this bill being called an act respecting young offenders. It does not matter very much what it is called. Should we call it the Juvenile Delinquents Act? The connotation now is bad. We call this legislation the Young Offenders Act. This is the effect of it since we are dealing with young people who have committed an offence against official mores. Therefore, I do not believe the argument really has much bearing. We are not dealing with the behaviour or the social environment of children. We are not dealing with parental responsibilities in respect of children. Neither are we attempting to control their environment. We are dealing with a very narrow sphere.

I should like to deal with the objections in respect of a clause in the bill which would give very broad powers to a judge. Dealing with clause 30, I believe the hon. member for Calgary North outlined the awesome tribulations which would confront young people and the great power the courts would wield. One would think there could be absolutely no area in which these judges could be circumscribed. The hon. member referred to subclause (1) (k) of clause 30. I should like to paraphrase clause 30 since I believe it should be placed on the record. It is a broad clause. It provides that the judge shall consider the predisposition report, if any, made under section 35 and any other relevant and material information, and may then make any one of a number of dispositions. We are not giving the judge the absolute authority he has had in some cases under the Juvenile Delinquents Act. We circumscribe his power within these broad clauses. Subclause (1) (a) reads:

> where he is of the opinion that the appearance of the young person before the court is all that is necessary to render it unlikely that the young person will commit further offences, he may discharge the young person absolutely;

In other words, if in the judge's opinion there is no chance of repetition of the criminal activity he can discharge the person immediately. There is nothing wrong with that. Another discretion on the part of the judge is that he may adjourn the hearing for a period not exceeding two months if the young person and, in the discretion of the judge, a parent of the young person, agree to follow a course of action directed by the judge. Then, there are several subclauses. The judge may decide to proceed under a provincial act. He may impose a fine. He may order the person to pay a certain amount of money by way of compensation. This power is very narrow and he can do this only under certain terms and in respect of a certain amount. He may place the young person on probation. He may direct him to go to a foster home or to a group home. This, again, is restricted to a period of two

years. It is not in perpetuity or for a period of five or six years. The young person has some protection. The judge must consider the predisposition report. He may place the child in the care of the children's aid society or in the care of the superintendent in some cases. He may commit the young person to a training school.

Now, we come to subclause (1) (k) which has aroused so much ire. Subclause (k) reads:

where he finds that the young person committed an offence for which he might, if he had been tried by indictment, have been sentenced to death or to imprisonment for life as a minimum sentence—

That narrowly limits it to capital crimes. The judge must use his discretion. He may commit the young person to a training school and so on, but first he would have to consider the predisposition report prepared by the staff. So, it is not an entirely mandatory thing; it is permissive. It is up to the judge to decide what he will do.

Then, we come to subclause (4) in respect of which there has been objection. This subclause reads:

A person who has been committed to a training school under paragraph (k) of subsection (1) shall, on reaching the age of twenty-one years, be taken before a superior court of criminal jurisdiction before which he, but for this act, might have been indicted under Part XVII of the Criminal Code; and that court shall thereupon sentence or otherwise deal with him—

That means he can be released. There is no mandatory duty on the part of a judge to sentence him again. He can be dealt with as if he had then and there been convicted of the offence. Then it goes on to state that the superior court shall have regard to the period of the detention he has undergone under paragraph (k) of subsection (1). So, indeed the comments made in this House that clause 30 is a very severe clause do not stand the test of careful scrutiny. We must circumscribe the judges' powers in some way but they certainly could not be looser than they are here. I believe that a careful examination would show there is no other way in which we could have dealt with this clause, and the circumstances which caused it to be there.

Now, I wish to deal with the subject of reform, because the minister has been accused of not being reform minded. I take it from the comments made in this House that the idea of reform held by many members is that it must be a constant movement toward permissiveness. Also, in other political ways, the idea of reform seems to be a continual movement to the left. This may be the opinion of some people in respect of reform but it is not my opinion. To me, reform means an examination of the facts as they currently exist. After an examination of the facts and the results of certain pieces of legislation, reform is the introduction of new methods and new techniques in accordance with those results and is not merely a constant movement toward permissiveness.

• (4:20 p.m.)

From the gist of the conversations that I have heard on the other side, it would seem that in all cases hon. members are very impressed with the fact that there really is no criminal intent among young people who commit an offence. Indeed, it is said that the only answer for a child or a young person who has run afoul of the law is education and a change in environment because this is a psychiatric problem. The prevalent idea is that criminal activity is unnatural and that the normal young person would never get involved in the theft of a car or a similar offence. This has been the conventional thinking up to now and we have gone along with it for 50 years. If we are going to pay any attention at all to the new psychologists and writers on these subjects, we should reconsider our approach. I might bring to the attention of the House writers such as Lionel Tiger, Desmond Morris, both of whom have now become fairly respectable, Mr. Robin Fox, Mr. L. Berkowitz and Dr. Konrad Lorenz. All of these authors are studying and researching the instincts of men and their reactions in society and to society. Let me quote from Mr. Tiger's book entitled "Man Aggression, and Men", in which he speaks of the reason for violence. He also speaks of the criminal conduct of certain individuals. He says:

that the process which leads finally to violence is the same process which underlies a predictable, biologically "normal" pattern of social aggregation.

He says further that the emergence of violence depends on a number of facilitating circumstances which are social in expression and variable from place to place, time to time and group to group. All of these writers indicate that a young person who commits a criminal act is not necessarily abnormal. In fact, often he is quite normal. The only thing he wants to gain is a position of dominance and prestige by a short cut. Instead of going about it in the normal, conventional way which society dictates, he takes the short cut.

We say that this young man is not really committing a criminal act but rather that he is off his rocker. That is not so. He is probably much more normal and his psychological reaction is much more normal than that of many other people. There is nothing abnormal about the desire to gain a position in society among one's peers, except that this young man does not go about it in the conventional way. I say to you that many people are prone to park their cars in prohibited areas or to speed, even though they know it is not the right thing to do, but they want to get there first and they want to park their cars more conveniently. They will do it so long as they feel they can get away with it. All of us in society decide among ourselves which norms we are going to follow. So, the argument expressed by the hon. member for Broadview (Mr. Gilbert) that all these young offenders are really not criminals, but that what they really need is psychiatric treatment—

Mr. Gilbert: I did not say that.

Mr. Otto: That is what I understood the hon. member to say. He may want to look over *Hansard*, but this is the gist of what he said as I understood it. I also understood other hon. members to say that there is something abnormal about these people and that it is our job to treat

them. I do not think they need treatment. For hundreds of years, when judging these people, the common law approach was to decide whether they knew right from wrong. On that basis, we continued year after year and decade after decade. The common law approach later changed somewhat to the extent that a determination had to be made whether or not a young offender knew the consequences of his action. We proceeded on that basis for a long time. For the past 50 years we have taken the approach that minors who act criminally should be treated differently from adults. This is the purpose of the bill. However, this does not mean that we should forget completely about the fact that a criminal act has been committed against society which laid down a certain code for the conduct of all people so that society can continue.

I do not think that reform means more permissiveness. I think it is time we reviewed the conduct of young people in society and also the whole question of deterrence. Some time ago we debated capital punishment in this House and whether or not capital punishment was a deterrent. We accepted the idea that punishment of any kind was never a deterrent of any consequence. The fact is that we argued in a very narrow field, and what we said in the House was that a person who does not contemplate murder but who commits murder is not deterred by capital punishment. That is true, but society does not yet say that the threat of punishment is not a deterrent. I think it still continues to be a deterrent and that young people who are taught a code of behaviour are aware of the consequences of their actions. This is indeed the role of the Criminal Code. If you want to say that this bill is the criminal code for young people, I cannot see much objection to that.

Mr. Gilbert: Shame.

Mr. Otto: The hon. member for Broadview finds this objectionable, but it does not matter what you call the bill, it is a criminal code and that is a fact. I think hon. members should reconsider their points of view.

Mr. Howard (Skeena): Especially your minister.

Mr. Otto: No, I say hon. members should reconsider their points of view and consider carefully whether, first, this House should get involved with every aspect of a child's upbringing, education and environment. If that is the case, then we must consider a completely new constitution and a new confederation because our laws do not cover all those aspects. I would not be exactly in favour of it. This is not a country like the United Kingdom. Education is not under the jurisdiction of the federal government but of the provinces. Therefore, if hon. members would consider the very narrow field in which we have to work, I think they would find that the bill is a good one. The bill could be better if we had a little more freedom of movement, but we do not have it. We have the right to pass a criminal code, and we are now replacing the Juvenile Delinquents Act with much better legislation which gives the minor more rights, more protection, and indeed gives the minor the protection of the law which he did not have in the Juvenile Delinquents Act.

• (4:30 p.m.)

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I do not pretend to be an expert on the subject of the treatment of children in trouble. It is a subject I suggest which, to fully understand, requires many years of training and experience. The thing that alarms me about this legislation is that as far as I can make out anyone who has had training and experience in this field rejects the philosophy of the bill and rejects many of the details in this Young Offenders Act, Bill C-192. It is for this reason that I propose to vote against the bill, and to support the amendments.

The bill has been described by Judge William Little, who is Chairman of the Ontario Juvenile Court Judges, as frightening. It sets the clock back 60 years. Judge Little says the reason for that is it strips children of the special protection of the existing law which says they are not to be treated as criminals.

The bill has been attacked by the Canadian Mental Health Association. The Canadian Corrections Association has made critical submissions. The John Howard Society of Ontario is deeply disturbed, and a large number of qualified individuals have expressed their fears. It is my submission that it would be irresponsible for this House to proceed with the enactment of the bill without giving people representing these and other similar institutions, with years of experience and concern in the specialized field of dealing with children in trouble, the right to make representations, preferably before second reading when the bill is adopted in principle.

Someone already in this debate, I think it was the hon. member for Calgary North (Mr. Woolliams), referred to an article in the Toronto *Telegram* of December 29 last by Yvonne Crittenden. In it she describes the barrage of criticism directed against the legislation in the following terms, "a half-pint Criminal Code," "inhuman and intolerable," and "a frightening piece of legislation."

The bill is full of legalistic terminology. It appears to be the work of old fashioned lawyers, who may indeed be conscientious and who may be seeking to give protection of the legal criminal rules to children in trouble, but who seem to be unaware of the basic need for flexibility and individual treatment, and the need of getting the case out of the criminal atmosphere of the criminal courts.

Nor is it sufficient to say, as the former solicitor general has said in a letter to members of this House—I think the hon. member for York East (Mr. Otto) was hinting at the same thing—that because the constitutional justification for Parliament legislating in this field is criminal law, the legislation must reflect the fundamental concepts of the criminal law. Such a statement begs the question, "What are the fundamental concepts of the criminal law?" Are they, as this bill implies, punitive, or are they remedial? Even in dealing with adult criminals, the

remedial aspects of law are regarded in modern criminology as more important than the punitive and deterrent. How much more should this be so in the case of children?

In a publication of the Home Office in Great Britain, presented in April, 1968, to the British parliament by the Secretary of State for the Home Department, entitled "Children in Trouble," it is stated that juvenile delinquency has no single cause, manifestation or cure, and the range of behaviour which it covers is equally wide. At some point it merges almost imperceptibly with behaviour which does not contravene the law. The child's behaviour is influenced by genetic, emotional and intellectual factors, his maturity, and his family, school, neighbourhood and wider social setting. It is probably a minority of children who grow up without ever misbehaving in ways which may be contrary to the law. Frequently such behaviour is no more than an incident in the pattern of a child's normal development. But sometimes it is a response to unsatisfactory family or social circumstances, a result of boredom in and out of school, and indication of maladjustment or immaturity, or possibly a symptom of a deviant, damaged or abnormal personality. Early recognition and full assessment are particularly important in these more serious cases.

This report says, and I want to stress that this is at the very core of my argument, that variety and flexibility in the measures that can be taken are equally important if society is to deal effectively and appropriately with these manifold aspects of delinquency. The social consequences of juvenile delinquency range from minor nuisance to considerable damage and suffering for the community. An important object of the criminal law is to protect society against such consequences, but the community also recognizes the importance of caring for those who are too young to protect themselves. In recent years these two quite distinct grounds for action by society in relation to young people have been moving steadily closer together.

It has become increasingly clear that social control of harmful behaviour by the young, and social measures to help and protect the young are not distinct and separate processes. The aims of protecting society from juvenile delinquency, and of helping children in trouble to grow up into mature and law-abiding persons, are complementary and not contradictory. It is my complaint that in the present legislation before us, according to the best advice I can get, these principles are overlooked. Emphasis is on the protection of society by means of criminal law, and imposition of penalties or other punitive measures.

The present system, despite its defects, is flexible enough to deal with individual cases under indeterminate provisions for probation and detention in training schools. This enables the social measures to help and protect the young, as well as the interests of society, to be taken into account and the remedy to be fitted to the individual case. If a person is adjudged ready to be released from training school in three months, he is released in three months. If he is adjudged not ready to be released he can be detained, if necessary, for another six months. The present legislation would require that detention be for a fixed, determinate term, and I say that the most retrogressive feature in this legislation is this return to determinate sentences. I understand the reasons for the change suggested. I believe that it is to try to encourage uniformity of sentences, which may be desirable in dealing with adults but is entirely inappropriate when dealing with children.

I have had the advantage, Mr. Speaker, of consultation with Professor Stuart Ryan, Q.C., of the Department of Law at Queen's University. He has pointed out what he feels to be a lack of sufficient attention to the experience in other countries in the drafting of this bill. In West Germany the minimum age of criminal responsibility is 14, and in Sweden it is 15. The Kilbrandon Committee report, now implemented by legislation, forbids prosecution of a child under 16 in Scotland, except for homicide.

The committee report upon which the legislation before us is based seems to have been greatly influenced by the fact that in England children were charged with specific offences. Perhaps that is why it recommends specific offences here. Up to the time of the preparation of the committee's report, no indication of intention to change this practice had been given in England. But later, in August, 1965, a white paper entitled "The Child, the Family and The Young Offender" announced a change in policy. It was proposed to remove young people as far as possible from the penal jurisdiction of the courts, and to authorize local authorities to appoint local "family councils" to deal with each case, as far as possible, in consultation and agreement with parents, and with the power of reference to family courts where agreement could not be reached.

After more than two years of review and criticism of this proposal a new white paper in England entitled "Children in Trouble," to which I have already referred, was published in August, 1968. This paper proposed that no criminal or penal proceedings should be taken against a child under the age of 14. No proceedings should be taken against a young person between 14 and 17, without a special order to be made by a Justice of the Peace after hearing an application to show cause why a prosecution should be commenced. This proposal has been implemented by the Children and Young Persons Act of 1969, United Kingdom Statutes, Chapter 54.

• (4:40 p.m.)

I say that whereas the British, both in England and Scotland, having clung so long to the legalistic "young criminal" approach to the misconduct of children, have now completely abandoned that principle in England for children under 14, except for homicide, and almost completely abandoned it in Scotland, it seems strange that we in Canada are being asked to turn the clock back and pick up a method of dealing with the problem that has been cast aside. At the very least, if the new bill is accepted, the minimum age of criminal responsibility should be placed at 14, and children under that age should be dealt with under provincial care and protection legislation. In my view, Mr. Speaker, it is wrong to

provide for uniformity of treatment and penal responsibility for all children between the ages of 10 and 17. Adolescence creates a barrier between the two groups within that range, and the fourteenth birthday may be a convenient barrier.

I want to speak about another aspect of this legislation that has already been dealt with in a number of speeches. I wish to speak about the combined effect of clause 31(a) and clause 34. Mr. Speaker, the combined effect of clauses 31(a) and 34 of the bill is grotesque. It appears that under these provisions a juvenile court judge can either prevent a superior court judge from sentencing a young offender or compel him to do so, as if he were convicted on his twenty first birthday. Does that mean that if the young offender is convicted of a murder which he committed at the age of ten, and if he has been detained until he has reached the age of 21 and is now before a supreme court judge, that that judge should now sentence him to life imprisonment, or to six months, or to four years or put him on probation? This provision should be entirely omitted, since it offends against the Bill of Rights as interpreted in the famous Drybones case, and because it imposes discriminations among classes of Canadians. It discriminates against young Canadians. I say that this is wrong and should be removed from the bill. If we believe that we should be punitive or retributive about homicide, why not do as the British legislation does and have the child tried in the criminal courts from the beginning for offences of that nature?

The other provisions, Mr. Speaker, will have to be dealt with in the Standing Committee on Justice and Legal Affairs; and there are a great many of them. One extraordinary provision found in clause 31(a) and 32(1)(a) indicates that a judge may in certain cases prohibit the driving of a motor vehicle or the operating of a power boat for life. Imagine taking a child of 10 or 12 and saying, "You have driven a car or boat negligently, and therefore you cannot drive one again for the rest of your life." I suggest that this is obviously grotesque and ridiculous. There should be a limitation of three years; that should be the maximum limitation.

The stated principles of the new bill are all very well. Clause 4 reads:

> This Act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision and to the end that the care, custody and discipline of that young person will approximate as nearly as may be that which should be given by such a young person's parents.

Unfortunately, Mr. Speaker, the rest of the bill, by the rigidity of its provisions, distorts these very principles and makes them difficult of application. I have had an opportunity of discussing this bill with those who are actually in this field in the province of Ontario. I have discussed it with people who have the responsibility of looking after children in trouble. They are alarmed and depressed about the proposals of this bill.

[Mr. Brewin.]

One can assume that when a bill is introduced under our parliamentary system, the prestige of the government depends on the bill being passed. For this reason, I suppose that an appeal to the government and to the minister to take a further look at the bill and either oppose it or withdraw it at second reading may be an illusory gesture. It is difficult to imagine a subject with such social consequences as this which ought less to be a matter of partisan considerations and of a vote along party lines. However, bearing in mind the way we do things in this House, I suppose the vote on the bill will be on party lines. I appeal to the Solicitor General (Mr. Goyer), if he cannot and will not withdraw the bill at this stage, to insist that the process of revision in the Standing Committee on Justice and Legal Affairs be broad enough and non partisan enough to enable the rethinking of the bill as a whole. If the principle of the bill is embodied in clause 4, which I have already recounted then, in my view, substantial amendment must be made to the bill to make it consistent with this admirable statement of principle.

I hope that the new Solicitor General, to whom I wish the best of luck in his new responsibilities, will accept the criticisms of the bill which have been made by opposition speakers. These criticisms do not always embody their own views only. They are the views of people experienced in this field. We hope that he will accept these criticisms, and if he cannot withdraw the bill, that he will at least ensure the approval and consideration of a substantial number of amendments in the committee.

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, I, too, wish to add my congratulations to those of the previous speaker. I congratulate the new minister and wish him every success in his new field. I enter this debate, Mr. Speaker, because I feel that although many good things have been said on the other side of the House about this bill, I, like my friend from York East (Mr. Otto), do not think it is a perfect bill. Many changes will have to be made or discussed in committee. Nevertheless, I feel that some of the criticisms which have been levelled at it from the opposition side of the House have been highly unfair and highly inaccurate.

I am referring particularly, Mr. Speaker, to certain comments that the hon. member for Calgary North (Mr. Woolliams) made in his speech yesterday. I notice that he is not in the House at this time. I feel that I must draw the attention of the House to some of the serious errors wich appear in the comments he made yesterday. He began by saying, as recorded at page 2374 of *Hansard*, that he hoped the minister would read the bill thoroughly. That was a fair comment, because a few sentences later he said, "...may I say that I have examined the bill carefully." He suggested that the minister had not been briefed properly. If the minister had not been briefed properly by the member of his department, then may I suggest in all earnestness and fairness that, in view of what he said, the hon. member for Calgary North must have been briefed by the writers of "Laugh-in" or of the "Red Skelton Show". At page 2374 of *Hansard* the hon.

member is reported as having referred to the Criminal Code. He read section 12, which reads as follows:

> No person shall be convicted of an offence in respect of an act or omission on his part while he was under the age of seven years.

Then, he read section 13 of the Criminal Code, which reads as follows:

> No person shall be convicted of an offence in respect of an act or omission on his part while he was seven years of age or more but under the age of fourteen years, unless he was competent to know the nature and consequences of his conduct and to appreciate that it was wrong.

Next he said, "I had hoped that the bill would have done something to amend these sections." Well, on page 63 of the bill, Mr. Speaker, appear the two amendments to which the hon. member had not referred. Apparently, he could not find them; but they are in the bill at page 63. I just thought I would draw those amendments to his attention.

In the next paragraph there is a statement which is one of the greatest *non sequitors* I have ever seen. He said:

> At this time many of our people are unemployed. Many university graduates and college students cannot get jobs. With that in mind, surely the government could have come forward with a better bill than this.

• (4:50 p.m.)

I admit that a good many college graduates are unemployed at this time. However, I fail to see how this situation can be corrected by the contents of a bill dealing with young offenders, persons under the age of 17.

Mr. Benjamin: Get to the main point.

Mr. Murphy: I will get to the main point. The specific mistakes begin appearing at the bottom of page 2375 of *Hansard* and I quote:

> I intend to deal with some of the clauses, and with one of them in particular. Suppose a child aged 11 or 12 had, in some circumstances, committed murder. What would happen to him under the terms of this bill? It is so easy, under this bill. A child can come forward and say: "I am guilty". There is a clause which says you do not have to plead. You say "I am guilty of all this". However, if an offender were found guilty he would go to a training school until he was 21,—

I know that the hon. member is a very competent counsel. As such, I expect that he knows the intent and meaning of the words he uses. However, in this case he obviously must have been mistaken, misled or misinformed. He leaves the distinct impression that in the situation he describes it is mandatory under the terms of the bill for the juvenile court judge to send a young offender to training school until he is 21. As has already been pointed out, a reading of the section shows that is not the case at all. It is a discretionary power of the judge. He then said:

> —he would go to a training school until he was 21, with this offence hanging over him all the time. Then, at 21 he would be brought before a court like an adult under part 17 of the Code which deals with indictable, serious offences like murder, robbery with violence, manslaughter, theft of more than a certain amount, rape, and so on. Then, he would be sentenced as if he had been tried on that day. What would be the sentence? It would be life imprisonment,—

Nothing could be further from the truth under the terms of this bill. It could be life imprisonment. It could equally be an absolute discharge or a suspension of sentence without one further day being served. The hon. member seems to have overlooked that aspect of the bill. The hon. member maintains that he carefully examined the bill, but somehow must have missed that particular section. I continue quoting:

> From the time he was charged he would be incarcerated in a training school: He would put in eight or nine years there, and afterward he would put in 21 years unless the parole board leniently interfered with the sentence.

Again I say balderdash. The bill says nothing of the kind. It is less than fair for the hon. member to attempt to leave that impression before the House. The next mistake appears at 2376:

> That, as I have pointed out, is one of the worst features, right there. Suppose a child aged ten did not understand the consequences of his act. He could still be sent to a training school and then, when he was 21, even though he did not know what he had done when he was ten it would be presumed he would then, all of a sudden, become aware retrospectively of what he had done when he was ten. That is quite a reform.

That is not the case. As I read the proposed amendment to the Criminal Code which appears at page 63 of the Bill, the exact opposite is true. I will not take the time of the House to read the amendment. It states, in effect, that if the young lad did not know the nature and the consequences of the act and if the act occurred between the ages of 10 and 14, he could not be convicted of the offence. That is exactly opposite to what the hon. member stated in his speech yesterday. He further states as recorded at page 2376:

> In other words, after he has been trotted out at the age of 21 he gets the same penalty as if he had committed the offence at the age of 21, regardless of the fact that he has served all those years in a training school. Yet this is supposed to be a reform.

That is absolutely contrary to the contents of this bill. If a lad is brought before a court at age 21 for sentencing, if he is not discharged or put on probation, the bill specifically provides that the sentencing judge should take into consideration the time spent in training school. I do not know how the hon. member arrived at some of these conclusions. I feel they should be corrected. I quote from page 2378:

> All the lawyers, academics, psychologists, psychiatrists and sociologists I have talked to support this idea.

On two occasions in his speech the hon. members quoted letters. At page 2374 he quoted the letter from Dr. B. D. Frost. I presume he is one of the academic, intellectual, professional people to whom the hon. member referred. At page 2375 of *Hansard* he quoted excerpts from a letter from Professor Price of Queen's University. I gather he is one of the professionals with whom the hon. member talked. Both of these gentlemen recommended that the matter go before the Standing Committee on Justice and Legal Affairs. They made no mention

of a task force as proposed by the hon. member for Calgary North. I believe that the Standing Committee on Justice and Legal Affairs is quite competent and capable to deal with the problems raised in this bill.

Mr. Gilbert: Nonsense.

Mr. Murphy: You do not have the faith in that committee that I do.

Mr. Gilbert: I am a member and I do not have faith.

Mr. Murphy: I feel that the members of that committee can call and interrogate witnesses as intelligently as any task force which might be appointed. The final insult is at page 2378 where the hon. member is recorded as saying:

> Let me point out that there is not much difference between a training school and a penitentiary.

I do not know whether the hon. member has ever visited training schools. According to his speech, he has visited penitentiaries. I point out to him that nothing is further from the truth. He winds up by saying:

> In fact, I think the old law was just as good. Perhaps in some ways it was better.

The hon. member refused to recognize some of the major differences. Under the old law it was not possible for the juvenile court judge to give an absolute discharge to a person appearing before him. This will now be possible under clause 30 of the bill. Under the old law, there was no maximum term of commitment to a training school. A child aged 12 could be committed until he was 21, at the pleasure of the school. Under the present law, the maximum is three years. That is a maximum, not a minimum. Under the old law there was no provision for disposal of a case without a hearing. There is such a provision under the new law. The juvenile court judge, under clause 23, has the power to dispose without a hearing.

The Acting Speaker (Mr. Laniel): Order, please. I must interrupt the hon. member.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Laniel): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Fraser Valley West (Mr. Rose)—Airports—Provision of rapid transit ground facilities; the hon. member for Portneuf (Mr. Godin)—Oil—Possible review of National Energy Board policy; the hon. member for Saskatoon-Biggar (Mr. Gleave)—Wheat Board—Production and receipts policy—Statement in budget respecting stabilization payments.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, notices of motions (papers), private bills and public bills.

[Mr. Murphy.]

• (5:00 p.m.)

PRIVATE MEMBERS' NOTICES OF MOTIONS

HEALTH AND WELFARE

REQUEST FOR COPY OF A STUDY INTO THE CONDITIONS OF THE DISADVANTAGED IN QUEBEC

On the order: Notices of Motions (Papers); No. 115—Mrs. MacInnis—October 28, 1970:

> That an Order of the House do issue for a copy of the study undertaken by Le Centre de Planification Familiale, Montreal, in the fiscal year 1970-71, funded by the Department of National Health and Welfare on "Projet de recherche auprès du milieu défavorisé urbain Québecois".

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I might say there have been discussions with the hon. member who is the sponsor not only of motion No. 115 but the several notices of motions that follow it. It will be observed that these several notices of motions are directed to the Department of National Health and Welfare and pertain to certain studies they have conducted.

These motions can be grouped under headings dealing with birth control, family planning and genetic counselling. Because of the fact that they are grouped in this way, and also because it is obvious that, in view of the position these notices of motion enjoy on the Order Paper, many other members on the opposite side of the House would be deprived of the opportunity of bringing forward the subject matter of their particular notices of motions, the hon. member has very kindly agreed to drop from the Order Paper notices of motions Nos. 115 through 120, and today she will proceed with notice of motion No. 121. Then, subsequently one of the remaining group dealing with genetic counselling will be selected by her and proceeded with. Thereafter, the remainder of these will be dropped as well.

I think the hon. member will confirm that, and for these reasons we are prepared to proceed in that manner.

The Acting Speaker (Mr. Laniel): Does the House give unanimous consent to the dropping of notices of motions 115 to 120 inclusive appearing on the order paper in the name of the hon. member for Vancouver-Kingsway (Mrs. MacInnis) and to the proceeding to notice of motion No. 121?

Some hon. Members: Agreed.

Motions dropped and orders discharged.

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HEALTH AND WELFARE

REQUEST FOR COPY OF A STUDY INTO THE ECONOMIC AND SOCIAL CONSEQUENCES OF THE THERMIC METHOD OF BIRTH CONTROL

Mrs. Grace MacInnis (Vancouver-Kingsway) moved:

> That an Order of the House do issue for a copy of the study "Causes et conséquences démographiques économiques et sociales de la pratique de la méthode thermique de régulation des naissances" funded by the Department of National Health and Welfare in the fiscal year 1969-70.

She said: Mr. Speaker, may I say that the Parliamentary Secretary has explained the matter before us very well. I have no wish to prevent other members from having their turn. I am not dropping these requests because I am satisfied to go without them, but because I feel it would be exceedingly unfair to hold up the House when there are other members waiting.

Last session, and on October 28, 1970 of this session, I placed a number of requests on the Order Paper for the production of papers. The government has been unwilling to produce the reports requested, basically on the ground that these reports were made under private arrangements with researchers and that the government was not at liberty to divulge their contents. I think that is the basis for the government's refusal in the case of these reports.

In this motion today, I am asking that an order of the House do issue for a copy of the study "Causes et conséquences démographiques économiques et social de la pratique de la méthode thermique de régulation des naissances". I do not think this should be a subject kept under wraps privately by the department. On a former occasion, I quoted the remarks of someone who had engaged in research projects for the Department of National Health and Welfare who said he felt that most people doing research would be only too glad to have the public informed of their findings. He said he felt that most researchers felt exactly that way. Therefore, I should like to suggest that in future the department, and the government as a whole, consider changing the ground rules relating to disclosure of these reports. I think the government should lay down the general rule that researchers are told that, under ordinary circumstances, their reports will be available to the public. There is no reason under heaven that I can possibly see for withholding this report.

In the meantime, as long as the present ground rules obtain I think the government—in this case the Department of National Health and Welfare—should at least inquire whether or not there is any objection on the part of those who did the research work or headed up the research team to making these reports public. Quite frankly, I think the government is in a very vulnerable position in this regard. It is using taxpayers' money to get this sort of work done by scientists and others who have every interest in giving the facts to the public, yet the government is refusing to make these facts known. I believe this is particularly the case with regard to the resolutions standing in my name, since most of them have to do with the business of family planning or family counselling, with contraceptive methods, and with the effects, social, economic and otherwise, of, in this case, the thermic method of regulating birth control. The thermic method is, of course, used in connection with the rhythm method of birth control. I think the people of this country have a right to be told the effects of this method of birth control.

I am glad to see that in another regard the department is beginning to loosen up a little. Back in April, I asked for a report that had just been made by a special committee appointed by the Minister of National Health and Welfare (Mr. Munro) which was to advise the Food and Drug Directorate with regard to all aspects of the safety and efficacy of oral contraceptives marketed in Canada. I asked for the report in April and we received it before Christmas, which is not too bad. I suggest that if a report of this importance can be made available, then some of the other reports which do not cover so wide a field also ought to be made available to the public at a time when it is imperative that we examine birth control methods and contraceptives in as full a way as possible.

Mr. Baldwin: They have a long period of gestation for reporting.

Mrs. MacInnis: Perhaps they do, but ordinary women do not. Pregnancy does not take all that length of time and cannot wait. This is exactly the point I want to make.

The thermic method used in the rhythm method has to do with temperature, and there are three or four different ways of working that out with the period of ovulation and so on. I will spare hon. members from going into all the fine details at this time. There will be other opportunities to do this, I am confident, particularly if the government insists on keeping so much of this information from us.

In the bulletin that was published by the Food and Drug Directorate embodying the report of the special committee on oral contraceptives, there is this paragraph dealing with the rhythm method:

> The contraceptive effectiveness of the rhythm method if correctly taught, understood and consistently practiced, especially if the temperature rhythm method is used, could achieve a low pregnancy rate of 1.8 per 100 women per year. However, statistics show that, possibly because of irregular cycles, or inexpert and careless timing, the result is a pregnancy rate of 25 per 100 women per year.

This represents an effective failure rate of 25 per cent. This is a very serious failure rate and means that there are going to be a great many unwanted births for those people who use the rhythm method. As I say, I have nothing against people using the rhythm method if it is in accordance with their religious beliefs, but I think these women ought to be told that among women who use the rhythm method one out of four will become pregnant. This method is at the bottom of the efficiency scale of effective methods of birth control.

• (5:10 p.m.)

This is not unconnected with the estimate made just before Christmas by the head of the Family Planning Association of Montreal, Dr. Serge Mongeau that in the preceding calendar year there were between 5,000 and 10,000 illegal abortions in the province of Quebec alone. I use this figure only because I happen to have it in respect of that one province. Let me point out that because we have not approached the birth control situation in the way we should have, by getting the information to the people through enough clinics, along with birth control devices, we have this vast number of illegal abortions. They take place in every province.

For this reason, we must get busy on birth control methods. If we want to avoid a great number of abortions, illegal and otherwise, we must get busy disseminating birth control information and contraceptives. As I have said over and over again, abortion is not the first line of defence against unwanted pregnancies. The first line of defence should be effective contraceptives used consistently and diligently. People do not have the information they should have on how to use these contraceptives or which ones are effective. The physical and mental suffering from so many illegal or legal abortions, would be quite unnecessary if we had proper birth control information available throughout this country.

In this connection, I want to refer to the report of the Royal Commission on the Status of Women. The sooner the government gets busy dealing with this report the sooner they will stop hearing from us over here on this subject, because we are determined to make sure the government has clearly before it the various important sections of this report. The supplying of birth control information is now legal, but as the report on the status of women points out, for 40 years before the law was amended few people dared to operate birth control centres because of the risk of being prosecuted. Since the ban was lifted a number of centres are being planned, but there are still relatively few in Canada. In 1969 it was estimated there were approximately 38 centres, including seven family planning clinics under the Family Planning Federation of Canada, eight public health clinics and 23 hospital clinics. The need for more facilities is obvious. In 1968 there were 4,378,000 women of childbearing age, that is between 15 and 45 years, in Canada, yet according to their own estimate, one of the family planning clinics in Toronto could process only 1,250 calls in one year.

At the present time only about 23 of the 948 general hospitals in Canada have family planning clinics attached to them. I know that the Vancouver General Hospital is one of them. When I visited that hospital during the Christmas recess one of the doctors told me with great pride that the family planning clinic at the Vancouver General, one of 23 attached to hospitals in Canada, was the very first outside clinic which had been permitted in the Vancouver General.

The status of women report recommends that birth control information be available to everyone, and recommends that the Department of National Health and Welfare should be prepared to offer birth control information free of charge to provincial and territorial authorities, organizations, associations and individuals, and to give financial assistance through health grants to train health and welfare workers in family planning. The report further recommends that the provincial departments of health organize family planning clinics in each public health unit to ensure that everyone has access to information, medical assistance, birth control devices and drugs.

It also recommends that the provincial departments should provide medical clinics where they are needed, particularly in remote areas. I may say that in Britain today there are mobile clinics which travel around and operate in conjunction with metropolitan and civic health centres. The people in charge of these units find out from social workers and other people where the women are who want birth control information and devices. The doctor and nurse in charge of the unit visit these areas to make sure that this information and these devices are provided.

If you had encountered as many women in various income groups as I have who, if they had known how to prevent unwanted pregnancies, might have avoided abortions, I think you would realize that this country should move ahead at a faster rate than it is moving now. Those people who are opposed to abortion, whether legal or illegal, would do well to help cut down the incidence, and the only way to cut down the incidence of abortion is to provide people with other means of preventing unwanted pregnancies.

I think it is far better to deal with birth control measures than to wait until you have to deal with an abortion. I do not deny that the Family Planning Association is a good organization, and I know the Minister of National Health and Welfare (Mr. Munro) is working through that organization. However, I do not think the Family Planning Association would claim that by itself it can handle the need which exists today. This whole matter of birth control should be a part of our health department machinery in cities and large towns. These mobile clinics should travel under the auspices of our metropolitan and municipal health authorities. The federal Department of National Health and Welfare should provide funds and information to assist in establishing these clinics across Canada.

In looking across the chamber I think I can anticipate who is going to reply. I believe it is the minister who is in charge of designated areas. I hope it will be he because I wanted to indicate to him that the whole of Canada is a designated area as far as this matter is concerned. Let me indicate to whichever member does reply that in his constituency, as in mine, there is a great need for the implementation of these recommendations of the report on the status of women. This implementation should be carried out with the least possible delay.

I urge upon the Department of National Health and Welfare and other government departments the need to get away from their present vulnerable position of keeping these research studies secret. These departments should do everything they can, using material available, to help forward the campaign of birth control that the minister is so anxious to see brought to a successful stage of development.

Mr. J. A. Jerome (Parliamentary Secretary to President of Privy Council): Mr. Speaker, perhaps it is wrong to begin by anticipating, as the hon. member who just completed her remarks did, who may be speaking from the opposite side, but I notice that the hon. member for Simcoe North (Mr. Rynard) has some notes in front of him. With his medical background, surely his contribution to this debate will be more productive than mine, if

"productive" is the right word in this context. I certainly look forward to listening to his contribution.

First of all, in respect of what the hon. member has just said, I feel there is absolutely no doubt about the merits of many of the points she has made. It is an unfortunate commentary on the procedure that private members, under the existing rules of this chamber, must go through such a tortuous route in order to comment on subjects which are of importance. Often we are trapped by somewhat archaic parliamentary procedures into having to comment on subjects of importance by the most circuitous route. The hon. member addressed herself to the relationship of family planning to the report on the status of women, to the prevention of unwanted pregnancies and to the situation so far as abortion is concerned. In this regard, her remarks had a great deal of merit. I would perhaps go further than she has. I am one of those who have a fundamental difficulty in principle in respect of the idea of abortion, and particularly the idea of abortion on demand, simply because I hold the belief that a human life begins at the moment of conception and accordingly we do not have the right to take that human life for the convenience of other human beings.

• (5:20 p.m.)

Be that as it may, I believe that something should be done in respect of the terrible tragedy involved in attempts to terminate unwanted pregnancies and the dangers involved in the carrying out of abortive procedures in hazardous circumstances and by surreptitious procedures. The hon. member has frequently delivered weighty arguments on this subject, and I agree that a great deal can and should be done in this regard. I feel the positive action which should be taken in respect of this danger and evil which exists in our society is not by liberalizing the laws in respect of abortion, but rather by doing two things. One of these I believe is a good deal more possible than the other. The first thing I have in mind is counselling on family planning and contraception. The second is, if I am correct in the theory that we must protect human life when it begins, notwithstanding the fact that it begins in circumstances which may inconvenience the parent or parents, that we should be taking steps to eliminate the social stigma we place upon children born out of wedlock.

Of these two steps, expanded counselling and family planning in respect of contraception certainly is within our grasp. This is a realistic possibility and certainly is a positive step which could be taken in an attempt to encourage a social climate which would eliminate the pressures we place upon unwed mothers and children born out of wedlock. This is by no means a project which is easy to achieve because obviously there are so many areas and factors which influence people's opinions, prejudices and views on morality and on the proprieties of such things. So, leaving that as an area which presents enormous difficulties and turning to the area with which the hon. member is concerned in this particular discussion, I endorse the idea of expanded information and clinics because I continue to be amazed, as I believe most mature people are, by the frequency of the total ignorance of people who are fairly mature otherwise concerning the basic fundamentals of gestation, conception or the nature of childbirth and everything connected with it. When we see these terrible examples of young girls who have found themselves in circumstances which for one reason or another have driven them to abortion, frequently we find they are astonishingly ignorant of the basic principles of conception and the birth of a child. So, I totally endorse the idea of expanded information in that regard through clinics such as we are talking about.

Returning to the subject matter of the notice of motion, I lament the fact that hon. members are forced to follow this procedure in order to discuss a subject in which there is a great deal of interest. However, we cannot forget the fact that this is being done through the device of a notice of motion for the production of documents. It is not here and now a question of whether or not the government endorses the kind of policies the hon. member is bringing forward. I believe it is fair to say the Minister of National Health and Welfare (Mr. Munro) has been as active in this field as he has been in all others which embrace his huge portfolio. It is well established that he is a progressive individual and is forward-thinking. I do not doubt for a moment that he would welcome an opportunity to discuss the kind of clinics the hon. member suggests and I am sure his department is working actively on this.

We are all hopeful that such work can go forward. So, the question we are debating here really is not the merit or lack of it of this subject but rather whether the government is right in failing to produce the studies it has commissioned on this subject. On that aspect of the matter, I shall address myself to three brief headings. First, I believe we must all agree it is desirable that this or any other government attempt to get outside of its own bureaucracy and outside of its own so often stiff and stultified machinery. The use of such research projects and studies gives the government the opportunity for flexibility by having other agencies working and studying subjects so far as possible away from the identification of government and officialdom. If it is desirable that the government proceed in this way to inform itself concerning problems of depth and frequency, then surely the hon. member will go one step further and agree that the freedom and flexibility desired in connection with such a study would be seriously impaired if every study commissioned by the government on this or on any other subject had to be done with the knowledge that it would be published as part of the government record and become a public document.

In respect of the report, for example, on the status of women concerning which it was known from the beginning the document would be public, we know very well that the kind of work that went into it had to be much more careful, prolonged and all-embracing in an official way. In such a case we know there must be safeguards and steps taken to see that everyone wishing to present views has an opportunity to do so, and that everyone who wants to contribute to an official public study should have an opportunity to do so. That might be fine for the

kind of study that gave rise to the report on the status of women, but I am sure the hon. member would agree that not every study would benefit from such an official atmosphere.

• (5:30 p.m.)

The ease of establishing a group to work quietly in an unofficial and anonymous way and to get to the heart of the problem that faces us in this or any other field is an advantage well worth retaining. But in order to do that, there must be assurance that the study which is being prepared is of a confidential nature. That is so, whether it be in private industry or for the government. If this were not so, every one of these studies would have to be undertaken by way of a public inquiry. As soon as that is done, I submit that much of the value of research and study will be lost.

Accordingly, the pressure that would be on the government to insist that every study be carried out so that no one could say that such and such a group did not have an opportunity to appear, to insist that all hearings be conducted in public and all inquiries conducted officially, the pressure that would be put on researchers to conduct their function in a public and open way and, finally, the position in which the government would be put, would seriously restrict the value of the research.

This leads us to the conclusion that there are many studies, and in fact the long list of the hon. member's notices of motion covering many different studies indicates that each one may have dealt with a different aspect of the work and may have been able to explore just one aspect in one part of the country. Indeed, it may have benefited from being done in a quiet and unobtrusive way. The length of the list testifies to the fact that it is an advantage to carry out studies in this way.

That being the case, we come to the point where the hon. member is suggesting that all these studies should be released and tabled, becoming public information. I come back to my original point. I do not blame the hon. member for taking advantage of private members' hour to put forward the excellent views she has on the important subject of family planning. But I say it is a pity that our system necessitates adopting this procedure in order for the hon. member to put her views on the record. Personally, I am hopeful that in this session the Standing Committee on Procedure and Organization will have an opportunity to review not only this aspect of private members' business but, indeed, all aspects of it and of the use of this valuable time of the House so that it can become more meaningful and productive. It may well be that the hon. member, having examined some of these studies, would be the first to agree that it would be detrimental to publish them and that she has had to use this procedure to press for this kind of disclosure simply to get her views on the record, when she should have had many other opportunities to do the same thing.

So from the procedural point of view, I endorse the substantive remarks of the hon. member for Vancouver-Kingsway (Mrs. MacInnis). I regret, however, that this procedure had to be used. At the same time, I endorse completely the government's refusal to disclose these studies, because to do that would, in my opinion, virtually destroy their usefulness.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, like the hon. member who preceded me, I find myself in substantial agreement with the remarks of the hon. member for Vancouver-Kingsway (Mrs. MacInnis). It is unfortunate in many respects that there is only one representative of her sex in this House. We are delighted to have her here, but obviously the House would reflect Canada's problems much better if it had more representatives of her sex.

The motion she has placed before us and the tenor of her remarks today deal with some of the problems that are of great concern to women in society. I found myself in almost total agreement with what she said today. In this respect I dissociate my personal opinions from those of the previous speaker, my colleague on this side of the House, with regard to the abortion legislation. But I agree with the argument he put forward that we should re-examine our procedures.

In putting forward this motion, the hon. member has used the device of a motion for the production of papers to put forward substantive arguments for changes in a wide variety of public policies and legislation. I recall when in 1964 as a member of this House I had the privilege of introducing a second private member's bill dealing with family planning. The first member of the House to introduce a bill on this subject was a gentleman who is no longer here and who now, I believe, is the mayor of Burnaby in British Columbia.

These were the first of a number of bills on this subject which eventually led to the amendment of Criminal Code provisions which many of us believed were unjustified and unduly restrictive. I could not help but feel, as I listened to the first two speeches in this debate, how great the change has been in public opinion in seven years and in opinions expressed in this place. We have made a great deal of progress.

The hon. lady quoted from a number of documents that have been put into the public domain. One of the first from which she quoted was the report of the royal commission on contraception, which was produced a matter of weeks ago. I think she must give credit to the Minister of National Health and Welfare (Mr. Munro) for his initiative and for his consistent interest in this matter. I know that her quotations from the report were favourable ones. I detected from her remarks—she can easily correct me if I am wrong—that she thought the report was a good one and that by and large it was the kind of document that should be repeated, dealing with a number of subjects in this general area.

The hon. lady also quoted from the report of the Royal Commission on the Status of Women. I may say that occasionally telephone calls have come to my house asking if there is a Miss Anne Francis in our household. We are not in any way related. But I agree with the hon. member that many parts of this document are worthy of serious consideration. There is no question that this document came as a result of a public inquiry initiated by the

government which I have the honour to support. The inquiry was very far-ranging and complete. Many of the recommendations have stirred public debate. There is by no means unanimous agreement, but there is agreement that it was a very original type of investigation, a very thorough and competent investigation which will certainly have an impact upon social thinking. We hope it will result in legislation.

As the hon. member who preceded me pointed out, this kind of document is based upon a number of investigations. It is based upon the work of not one person but of many people who work in a team. Similarly, in the whole area of family planning and genetic counselling, a large number of research documents have been created, as the hon. member has been able to determine. This is evidence of the initiative of the government in the matter. But research into physical science problems and social science problems in the twentieth century is much more complicated than it was before.

• (5:40 p.m.)

Any one of these documents standing by itself, produced as a public record, could be misinterpreted. I have not seen them. I doubt whether the hon. lady who moved the motion has seen many, if indeed she has seen any of them. But the fact that investigations are undertaken by individuals, in most cases, is part of the process of major investigations. It is the kind of thing that was undertaken for the inquiry into the status of women. These documents do not stand, each and every one of them, alone. They have to be assessed and correlated. They have to be verified. The pattern that emerges may suggest further inquiries, further investigations, and at the appropriate point a series of carefully prepared public documents must come forward.

The report on oral contraceptives is a very good example of the kind of document which can take into account a wide range of investigations involving a number of different circumstances, with the carefully balanced judgment of scientific and professional investigators able to make a determination within the freedom of their own, shall I say, academic considerations. I use "academic" in the best sense of the word.

Mr. Speaker, there is no other way in which this kind of research can be undertaken properly and flourish within the framework of government grants. The requirement that any single document should be, at any particular moment when it is produced, put into the public domain would have an inhibiting effect. I repeat that in this area it will have an inhibiting effect upon the conduct of this kind of research. I wonder whether the hon. lady felt that every one of these documents should be put into the public domain, or whether she was moved in her purpose, which I commend very heartily, of using this device to call attention to the need for more research, the need for more information and the need for more reports. The basic information is required in order that we who sit in this place can determine what type of legislation and what kind of policies are most appropriate to be enacted.

Mr. Speaker, I do not believe it is proper that every investigation of this nature should be put into the public domain at a predetermined time. I do not believe it should be a condition of grants by the federal department of health that every one of these reports should be made public. I think the effect of such a requirement—if I understand the hon. lady correctly, I think she made that suggestion—would be to inhibit and change the nature of the reports. If every report that comes to government in the form of a document is made public and has to stand the test of sensational reporting that occasionally takes place, and misinterpretation of premature results which have not been properly assessed in relation to factors not yet understood, not yet even guessed at, I think we will not be serving the people of Canada well.

I believe that changes in public policy that are to come are absolutely necessary. We have taken a step forward in the amendments to the Criminal Code in relation to abortion. This kind of step has come about as the result of public debate, further investigation, better knowledge and understanding. The concern I have at this point is the uneven character of the application of the law. In some parts of the country a number of hospitals are co-operating. The required committees are established, and abortions do take place. In other parts of Canada the hospitals and the medical profession are not co-operating in this respect. Those who live in some parts of Canada can take advantage of the changes in the law, and those who live in other parts cannot.

The evidence is abundantly clear that a number of lives are lost and a number of people are maimed as a result of the illegal and improper abortions that are continually taking place. The law has failed to come to grips fundamentally with what we all recognize was an evil. But the question we have to face is, what is the next step in the law? What is the stage at which public opinion is prepared to accept further change, and what is the further change that the public of Canada are prepared to accept? We live in a world of what is possible and, as many people have said, politics is the art of the possible. Changes in the law have come hand in hand with changes in public understanding and public opinion. These are based in no small part upon investigation, research and knowledge. But research, Mr. Speaker, must be done within the discipline of those capable of doing it, without undue inhibitions or arbitrary requirements for premature public disclosure, with every opportunity for assessment and further investigation and probing that is indicated by the recommendations of those who have done the research.

There has to be confidence in the professional integrity and responsibility of those in charge of the over-all research direction, that at the appropriate time the proper documents will be produced and will be put into the public domain. I offer as evidence of this the report on oral contraceptives, the report on the status of women and the numerous other investigations that have taken place.

I think the hon. lady will have to be satisfied with the fact that there is much initiative, much interest and

much support in this field. I am sure she would not want to defeat the purposes of such investigations by a restriction that would place upon them any inhibition and thus destory the net effect we hope to achieve.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, I must first compliment the mover of the motion. It is a bilingual motion, but in spite of the fact that I have been taking lessons for some time, the meaning of some of the French words escapes me. I believe I understand the gist of the motion, but if I stray slightly from the subject I hope you, Sir, will appreciate that this is the reason.

I concur with the mover of the motion that the public should be informed. An informed public is a much more constructive and understanding public. Quite often, when governments move in particular areas and endeavour to do something, the cry goes up, "Why has it taken so long?" or, "Why are we spending so much money on it?" But when the public knows all the facts, it can understand the reasons why decisions are sometimes made that leave certain people out of programs in the interest of helping those who really need assistance.

As I look at this motion, I believe it calls for ground rules that would reverse what seems to be the present trend. Nowadays, when studies are prepared for the consideration of government the tendency is for government to want to get as comprehensive, factual, honest and true reports as possible. Preparation of these reports should not be inhibited by a requirement that they be disclosed perhaps prematurely. Publication of reports out of context may damage the kind of reports that should be made to government. As the hon. member for Ottawa West (Mr. Francis) has said, premature disclosure might have an inhibiting effect. As has also been mentioned, Mr. Speaker, sometimes five or six reports are considered together before conclusions are reached. If an individual had only one report available to him and based his total argument on that, he might mislead the public and to great disservice.

When I look at the title of the report mentioned in the motion of the hon. member, I think I must agree with her that there is no reason under heaven why its contents should not be revealed. On the face of it, just reading the title, it seems to be innocuous and not something that will damage public morality. Apparently government members who have read the report have decided otherwise. I shall be interested in hearing other government supporters tell us why this motion should not be carried. I am waiting to be convinced. Unfortunately, nothing the hon. member said convinced me that the report should be produced. However, having used my intelligence, such as it is, and having read the title of the report, I cannot see that the report would be particularly damaging to the public interest.

• (5:50 p.m.)

I think this government must be congratulated, rather than condemned, for the kind of information it has made available to the opposition and to the general public, because for the first time in history funds have been given to opposition parties so they can retain suitable personnel and undertake studies that will enable them to reach correct decisions.

The study that the hon. member wishes to be produced covers a wide variety of subjects. One of the areas that has been of particular interest to me—it is an area that my wife has researched more thoroughly than I have—is important to all married people. I refer to the matter mentioned by the government whip, genetic counselling. The World Health Organization set up what is called an expert committee on human genetics. The sad part of genetic counselling, Mr. Speaker, is that people most often come for this kind of counselling after a defect has been discovered in a child. More information must go out to the public so that people will be aware that genetic counselling services are available.

This committee of the World Health Organization brought forward a report. The deputy director general said that genetic counselling is the most immediate and practical service that can be rendered in medicine and in surgery. He said it is probable that in all countries 4 per cent of live births suffer from some genetic condition which could benefit from genetic counselling, either in relation to repercussions on the family or to successful diagnosis and treatment of hereditary diseases. That is the point I have emphasized before. The report then notes that the experience of existing genetic counselling services shows that about 90 per cent of inquiries are from parents whose offspring are suffering from some disorder. It is the fear of recurrence that prompts them to seek advice. The bulk of the remaining 10 per cent of inquiries relates to the concern that an abnormality in the family may be passed on to future generations.

In some parts of the world there are special genetic problems. It is therefore proper that the World Health Organization saw fit to set up the special committee to study this particular aspect of health. It came to the conclusion that during the past 15 years great advances have been made in the field of human psychogenetics. Those advances have made it possible for us to provide, in many cases, effective genetic counselling. Those who have dealt with retarded children and helped them probably appreciate much better than others the necessity of proper genetic counselling. According to the research that I undertook in the subject—most of it was done before I came to the House of Commons—many places in Canada provide this service. Locally, the department of paediatrics of the University of Ottawa provides such a service. The advances made have also served to stimulate lay as well as medical interest in the field of genetic counselling. It is important that information should be available not only to doctors but to lay persons as well. Not only must this kind of information be imparted to laymen and others, but our communities must know there are genetic counselling agencies which may be used particularly by young people and young married couples.

It seems to me that the report the hon. member asks to be produced is innocuous and I cannot see any great harm in producing it. I shall be interested in hearing

what other government supporters have to say about this matter.

Mr. Knowles (Winnipeg North Centre): Question.

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, I have listened with a great deal of interest to the remarks of my colleagues on the motion put forward by the hon. member for Vancouver-Kingsway (Mrs. MacInnis).

Mr. Skoberg: The hon. member has three minutes left.

Mr. Pringle: I must agree with my colleagues, Mr. Speaker. More consideration must be given to those who are responsible not only for the formation of certain reports but for their distribution. It is vital for the people of Canada that we are not hindered in any way in obtaining all necessary information. Sometimes it is essential for us to withhold some information which has been submitted in report form. Hon. members should understand this. This point relates to the motion being considered.

I regret that I do not have more time in which to express some of my thoughts. I believe that when we have talked about amendments to the Criminal Code and matters relating to abortion, too much emphasis has been placed on permissive attitudes, on the reproduction of the human race, and not enough on family life and the moral approach to this question. We should give more consideration to preventive methods and to family planning, to the use of oral contraceptives, if you like, which according to the Food and Drug Directorate constitute the safest and, until now, the best method of birth control. However, we are a long way from the termination of any exhaustive research with regard to oral contraceptives.

An hon. Member: Six o'clock.

The Acting Speaker (Mr. Laniel): Order, please. I regret to interrupt the hon. member. It being six o'clock, I do now leave the chair. The House will resume at eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

YOUNG OFFENDERS ACT

PROVISIONS REGARDING CHILDREN AND YOUNG PERSONS

The House resumed consideration of the motion of Mr. Goyer that Bill C-192, respecting young offenders and to repeal the Juvenile Delinquents Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

And the amendment thereto of Mr. Woolliams.

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, I wish to continue the remarks I was making at five o'clock. I was dealing with the differences between the proposed legislation, the young offenders act, and the provisions of the old act, the Juvenile Delinquents Act. I was pointing out the improvements in the new act. One difference that I did not mention at that time is that which exists for the young offender, under the provisions of the proposed act, who is charged with an offence for which he might be imprisoned for life or sentenced to hang. Under the act which is now in force, a young man under the age of 15 who is convicted of murder or where it is found that he has—committed the offence of murder—

Mr. Woolliams: That is the same thing, is it not?

Mr. Murphy: It is probably the same. If he were convicted in the criminal court and sentenced to life imprisonment, there would be no way in which the minimum sentence would be reviewed for a period of at least ten years, even by the Parole Board. Even if the Parole Board after ten years recommended that the person should be let out immediately or at an early date, as the law now stands that decisions would have to be approved by the governor in council, or the cabinet. Under the new legislation, a young man convicted at the age of 15 could be—not would be—detained in a training school until the age of 21 and then brought before a supreme court judge. At that time the supreme court judge could deal with him in whatever way he thought fit, having regard to the circumstances existing at the time and the background of the case. He could conceivably discharge that young man at that time, with no further problem.

That advantage far surpasses the possible disadvantages mentioned by some opposition members, particularly the hon. member for Greenwood (Mr. Brewin). The hon. member for Greenwood referred to this provision. He thought that it would be discriminatory in respect of the young person. I cannot follow his reasoning on that point. It is discriminatory in the sense that the young person could be dealt with more leniently than an adult offender. I feel that discrimination in this way is not adverse to the young person.

• (8:10 p.m.)

I had the impression from the comments this afternoon of the hon. member for Greenwood that he felt the discrimination would be too adverse to the interests of the young offender. I cannot agree with him. So there we have another difference between the present legislation and the proposed legislation which I think is a distinct improvement.

The hon. member for Broadview (Mr. Gilbert) during the course of his speech in this debate suggested that we in this country might follow the English system or even the Scandinavian system of dealing with youthful offenders. In some respects I do not disagree; no doubt we might consider some aspects of the English system and beneficially adapt them to our system. However, we cannot simply say that the British system is much better

than ours because it does this, that and the other and our system does not. The hon. member knows as well as I that the English system of government is different from that which prevails in Canada. Theirs is a unitary system of government and the Parliament at Westminster has jurisdiction to pass all types of legislation, be it social legislation or otherwise, with impunity. It is the duty of that Parliament to do so.

On the other hand, as the hon. member knows, we in Canada have a federal system, and the jurisdictional limitations placed on this Parliament are considerably different from any that might be placed on the British Parliament. For that reason we cannot go into the social aspects of many questions, into fields that are by the British North America Act handed over holus-bolus exclusively to the provinces.

The hon. member also referred to the Scandinavian system of establishing panels that determine the outcome of a charge that might be made against a youthful offender. These panels are comprised of elected representatives as well as representatives of unions, teachers, the professions, businessmen, and so on. This is quite true. But what the hon. member neglected to point out is that these panels deal with youthful offenders in a paternalistic way, one that would be quite incongruous in Canada. For example, the panel sits to consider a case and the youthful offender concerned does not even have the opportunity of appearing before the panel. Decisions are made, so to speak, in a vacuum, in the absence of the accused. Neither does the accused have an opportunity to confront those who are levelling accusations against him. That is the way the panel system in Scandinavia operates. If that is what the hon. member is suggesting we adopt in this country, I can only disagree with him most wholeheartedly.

Mr. Gilbert: The hon. member would rather be punitive with our young men.

Mr. Murphy: I would rather have the young man given an opportunity to stand up and confront his accusers than be tried in absentia, definitely. In conclusion, may I say that basically I think we have a good bill here. The structure of the bill is good though it is not perfect. There are some changes that can and should be made, and I say they will be made.

Mr. Gilbert: Such as?

Mr. Murphy: I refer in particular to some points that have not been picked up by members of the opposition. If they look at the provisions of clause 14, I think they might find some things in there that are much more objectionable than some of the criticisms they have levelled at other clauses. There are also those provisions referred to by members of the opposition relating to the potentially heavier punishments for young offenders as opposed to those meted out to adults who commit the same offence and are found guilty in court in the regular way. I say that these provisions can and will be looked at.

[Mr. Murphy.]

If the opposition is serious and wants to obtain amendments, and if the opposition is serious in inviting the support of the government members of the House and of the Justice and Legal Affairs Committee, let me ask opposition members why they do not base their arguments on truths rather than on misstatements of fact, as has been the case in many instances during the course of this debate. Why do they not base their arguments on truths instead of half-truths, as has been happening so far? Let them give us logical arguments. Let them give us reason we can follow and believe. If they do, they may find that we will believe them. But do not give us the type of balderdash known as "Eldonbull" any more, because we are not interested in it. We will listen to facts and we will end up with a good bill.

Mr. Orlikow: Mr. Speaker, could I ask the hon. member a question?

Mr. Murphy: Yes.

Mr. Orlikow: Since the hon. member is suggesting that the arguments which have been presented are not the truth, may I ask him whether he is telling the members of this House that the criticisms of the bill made by organizations such as the Canadian Mental Health Association, which has taken very serious objection to major provisions in the bill, are based on untruths?

Mr. Murphy: Mr. Speaker, if the hon. member had been in the House this afternoon to listen to the examples of misstatements of fact cited by me earlier in my comments, he would have discovered that those examples were taken from a speech made by a member of this House. I am not referring to excerpts from representations made by organizations such as the Canadian Mental Health Association, and so on, although I could have gone into a few of their comments as well. However, time did not permit. When I talk of misstatements of fact and reliance on half-truths and innuendo, I am referring to particular statements quoted by me this afternoon from a speech made by a member of the House.

Mr. Woolliams: Could I ask the hon. member a question?

Mr. Speaker: Order, please. I realize the hon. member, and also the hon. member for Broadview wish to ask the hon. gentleman a question, but they can do so only if the hon. member who had the floor consents.

Mr. Murphy: I have no objection.

Mr. Woolliams: Mr. Speaker, I read the hon. member's remarks before supper and I know what he said. In my speech I made reference to the remarks of a number of academics and to representations made by various associations. Is the hon. member suggesting to this House that it is he who has all the truths, that he has the right interpretation to be placed on this legislation? As a lawyer, is he going as far as saying that it is he who is interpreting the bill with truth; that the law is such an exact science that he alone has the answers?

Mr. Murphy: If I may answer that, Mr. Speaker, let me say no.

Mr. Woolliams: I am glad of that. I knew you would say no.

Mr. Murphy: I agree with two of the people quoted by the hon. member for Calgary North (Mr. Woolliams), Dr. Frost and Professor Price, and I mentioned that in my remarks this afternoon. They recommended that the whole question be referred to the Standing Committee on Justice and Legal Affairs for study, and I agree with that course. I do not agree with the proposition of the hon. member for Calgary North that a special task force should be set up to deal with the matter.

Mr. Gilbert: Mr. Speaker, I wonder whether the hon. member would consider the case of a young man between the age of 10 and 14. Should a young man within that age bracket be charged with an offence under the Criminal Code—with the possible exception of homicide—and if convicted be faced with the possibility of being fingerprinted and photographed or should we follow the English act which says that no youngster under the age of 14 years should be charged with any criminal offence with the exception of homicide?

• (8:20 p.m.)

Mr. Murphy: Mr. Speaker, the hon. member has touched upon a very interesting point. Personally, I am not locked in with any age, 10 years or 14 years. I am willing to discuss this and listen to argument about it. All this bill does is give the juvenile court judge certain power. It does not say the individual shall be fingerprinted or shall be photographed. This is a discretionary power given to the juvenile court judge which may or may not be exercised. I am open to argument on this point and no doubt we will be discussing it at a later date.

I cannot speak for the Solicitor General (Mr. Goyer), but a number of recommendations have been made. If the hon. member will read the minutes of the special committee which studied this problem and filed its report in this House in 1966, he will see that the limits varied from age 10 to age 14. The provinces have other ideas on this matter and they will have to be considered as well.

Mr. David MacDonald (Egmont): Mr. Speaker, I would be remiss if I did not first of all congrulate the new Solicitor General (Mr. Goyer) on his appointment and wish him well in his new responsibilities. Many people who are concerned with the administration of justice in this country must be pleased that a relatively young man has assumed this important portfolio in government. In offering these congratulations, I think they must also be tinged with sorrow because I feel somewhat sorry for the Solicitor General in that he has to pilot, as his first piece of legislation, this bill through the House of Commons.

I know from the record of the Solicitor General that before assuming his portfolio in this government he had an outstanding career in his native province. He has from time to time espoused a most progressive cause, and I am sure it must be difficult if not painful for him to have to be identified in this initial period with what I call a most reactionary piece of legislation. The minister is faced with a bill that was given first reading in this House on November 16. He could not have known, neither could anyone else, that within a very few weeks he would be appointed to the post of Solicitor General, charged with putting this bill before the House on second reading and piloting it through the legislative process.

I think what other hon. members have said is in fact the case. We see reflected in this bill an attitude and concept in respect of crime and criminal offences which is not only out of date but completely removed from all the understanding and research which have come to play a very large role in our understanding of justice and crime in society. I think the best one can say for this piece of legislation is that it is a fine seventeenth century approach to what are some very pressing twentieth century problems.

It is provided as follows in clause 4 of this bill, which has been referred to by other hon. members:

> This act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision and to the end that the care, custody and discipline of that young person will approximate as nearly as may be that which should be given by such a young person's parents.

I would doubt that if a quick canvass were to be made we would find much, if any, disagreement with that statement. It is contradicted at every turn, however, by the succeeding clauses which categorize, restrict and, in fact, in some cases punish those who in certain instances could hardly be aware that they had committed an offence. That passage, if it were kept and a new bill constructed, might indeed show some leadership as well as enlightened understanding of the problems that confront young people who run afoul of the law. Instead, we are faced with this weighty document of 85 clauses which has already been referred to as the criminal code for young people.

How disillusioning it must be for any young people in our country who still believe that this government, under the leadership of the man who is Prime Minister (Mr. Trudeau), has a special understanding of youth when in fact they read the retrograde, regressive and reactionary approach that is being taken toward children, really, between the ages of 10 and 17 years who commit what may be defined as a criminal offence. If there is any doubt left that this government does not have leadership or the sensitivity to understand the particular problems of youth, I think this bill will be extremely convincing.

We have here an attempt to put forward in a new dress an approach to young people who commit crime. The approach fails because, even though the dress is new, when you remove the veneer the approach is just as reactionary and just as punitive as that which has existed in the law to this date. In fact, certain aspects of it are even worse than in the present situation.

It has already been said that an adult in our society who commits an offence for which the sentence may be life imprisonment or capital punishment knows that the process of law will take place. However, in regard to a

person under the age of 21 who commits an offence—we are thinking here of an offence that involves capital punishment or life imprisonment, not just narrowly defined as homicide, but a number of other things defined in the Criminal Code as warranting this severe penalty—can it be said that he understands the process of law?

There are other offences which according to the code warrant these penalties, including rape, sedition and treason. I am sure if we examined the Criminal Code closely, we might find others. Are we, then, saying that children who commit these crimes must in the first instance be detained for a period of time that may be as long as 11 years, whereupon when they have reached the age of 21 they are to be tried and sentenced for the crime which they committed earlier but to which they may not have been able to give sufficient recognition? That is certainly not the law as it applies or will apply to adults. Are we prepared to bring that law into force for children?

One can take this kind of legislative provision to its extreme to illustrate the utter unreality of this proposition in law. We have gone through a very difficult and serious time in respect of the crisis in the province of Quebec. At the moment we have a public order bill which, hopefully, will shortly expire. Under that bill we are told that people can be arrested for membersip in or attendance at meetings of a certain organization. What would be the position in law under this new measure if an 11-year old walked in off the street and, through chance, took part in a casual way in a meeting of the FLQ or like clandestine organization? Under this bill, I presume he would not only be detained but after a period of some years, perhaps until he reached age 21, he might be sentenced and then serve his time. How utterly foolish and ridiculous that is. That demonstrates how utterly foolish and ridiculous is this particular provision in the legislation.

The legislation attempts to be a screen giving, in essence, a sense of being fair-minded, positive and progressive. But when this screen is removed and the veneer is scraped away, we discover underneath that there is a heavy punitive element. For instance, we are told in one clause of this bill having to do with young people who may commit an offence under section 387 of the Criminal Code, which would be the abuse of animals, that the judge in the disposition he makes of the case may prohibit the young person from owning or having custody or control of the animal or bird during any period not exceeding two years.

• (8:30 p.m.)

We might consider the example of a young person who at the age of 11 or 12 may, without knowing it is more than a childhood prank, carry out some form of cruel activity which if committed by an adult would be considered to be criminally sadistic. This might not be the case, however, in respect of an imaginative youth of 11 or 12 years of age. This bill would remove any imagination in respect of the positive rehabilitation of a child, such as guidance, counselling and the establishment of relations with the child and his parents and, perhaps, with members of the animal kingdom.

There is no recognition in this legislation of the positive value of trying to redress the aberrations or perhaps fears which may exist in a child's mind. Throughout this bill it would seem that the drafters of the legislation have attempted to narrowly define the limits under which justice can be served, to the extent that one would think that in a sense they have entered the world of Lilliput and are following Gulliver in one of his travels, and that in dealing with children who commit acts regarded as offences by adults, they consider these children to be pigmy sized adults who in the final analysis are to be treated in that manner.

There is no recognition of the process of growing up or of maturity which, surely, is one of the most basic processes of life itself. There is no awareness, in the concept of this legislation, that relationships, particularly basic relationships in family and community, are vital to the healthy development of young people between ages 10 and 17. There would appear to be a stereotyped concept in this legislation. One wonders, in fact, whether the drafters of the legislation were ever children themselves or whether they had much acquaintance with children.

An hon. Member: That is a sick argument.

Mr. MacDonald (Egmont): That is a sick argument, an hon. member says. It is a sick argument, perhaps, in response to a sick bill and the sooner members recognize that and remove this legislation the better off we will be.

An hon. Member: The President of the Treasury Board (Mr. Drury) is laughing.

Mr. Drury: He sure is.

Mr. MacDonald (Egmont): I am not so much worried about members being in their second childhood as I am that they have forgotten their first. In dealing with youngsters there must be a recognition, in respect of offences regarded as crimes by society, that there is a process of maturing or growing which is not absolute and which is not predictable. There is nothing absolute about one child at age 10, 11, 16 or 17 and his ability to recognize and make moral judgments in respect of the acts he performs. I have not heard, and I know I will not hear, from the minister any categorical statement concerning how anyone can define with precision the ability of a young person aged 13 or 15 to judge the worthiness or unworthiness of his acts. There is no real indication of a desire to recognize that in this bill.

I do not question the sincerity but, rather, the judgment of the people who drafted this legislation. We are not just dealing here with young people between the ages of 10 and 17 and their relationship with the law. Really, we are dealing with what could well be regarded as the foundation stone for the relationship between the mature adult, his society and the law. If our prisons and penitentiaries are repeatedly filled with what we often refer to as chronic offenders or high-rate recidivists, it is because

we have not been realistic at the point at which crime becomes a part of the psyche of an individual.

If we do not realistically recognize this fact in respect of our young people, how can we ever face the situation realistically in respect of adults. The time to make these changes and be responsible and realistic is when we bring in changes and amendments in respect of the law and youth. It is doubly tragic, therefore, that we will be doing a disservice not only to children and young people but to the adults they will eventually become. One can only shudder to think that we will continue to make an enormous payment, not only in terms of the money we spend annually to detain people and to carry on the expensive business of arrest and surveillance but in the even more enormous payment in human lives and in the wastage of human potential that very often comes as a direct result of a backward and punitive approach to those who are no longer able to handle themselves in society.

In looking at this legislation one would think that the drafters—not the minister, because he did not really participate in the drafting—did not hear or read anything regarding human understanding in this century. I wonder, in heaven's name, where they have been. Have they not heard that in these enlightened periods we have discovered new and better ways to deal with criminal offences, particularly in the early stages? No one will argue that men who have already entered upon a long and determined life of crime are very difficult to rehabilitate. In many cases it is well nigh impossible. But all of us believe, and all of us hope, that in respect of a child of 11, 12, 13, 14, 15 or 16 years of age who commits a criminal offence there is a tremendous possibility for rehabilitation and reform.

Where is that presented in this legislation? Where is there a realistic approach to the individual differences and the individual difficulties encountered by young people? The difficulties are growing, rather than lessening. Because our society is becoming increasingly complex, because the demands of society require more and more laws which often restrict and prohibit individual judgments and decisions of men, we know it will not be easy for young people in the future to be sure they are not committing a crime. Therefore, if we are to redress the balance of increasing bureaucracy and restrictive laws of this nature, we must attempt to deal in a realistic fashion with young people who in many cases are unaware of or unable to control the actions they enter into.

There is so much in this legislation that is reprehensible in my view that I shall not take the time to go into it in detail. The fact, for instance, that there are references to the young person who runs afoul of the law as if he were a pint sized adult is so shocking as almost not to need reference. The fact, for instance, that on the discretion of a judge the same records can be kept for young offenders that are now being kept for adult offenders is in itself most shocking. Also, the fact of the process by which a young person might retain legal counsel, something on which he may not himself be able to make a judgment, is in itself putting the cart before the horse.

• (8:40 p.m.)

When taking this legislation in total, one is almost faced with the proposition that surely those who drafted this bill have looked at the whole process of law as it operates today, have passed judgment on it and then have said, "Well and good. Now, where can we fit the young person into this process, because we feel kind of embarrassed that he does not seem to fit in very well?" Perhaps we have too many people who are too satisfied with the way in which those processes operate, and not enough people willing to question their basic operation. Perhaps it is not so much a matter of fitting the child or the young person to the system; perhaps it is high time the situation was reversed and we asked ourselves what kind of system is needed to help those young people who are unable to help themselves.

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): This legislation refers to offences, but I find this legislation offensive. I do not like to think that in an enlightened society, for which I hope we are at least striving in this country, we can refer with equanimity to 11-year olds as inmates and offenders. Surely, that must be offensive to every member of this House. Surely, those 11-year olds who do things which we regard in adult society as crimes are not now to be regarded as prisoners and felons in the normal sense. Surely, there is reason to think that those who have drafted this bill must be sent packing until they can present something to us that is worthy of both this House and this country.

It seems to me there are some basic aspects that are simply not accounted for in this legislation. Surely, there is a fundamental requirement that when young people or children have committed a criminal act, the basic questions related to home, community and environment must be attended to. These are certainly basic to the development of the child. Instead of that, we have this legislation proposing that the parole officer be some form of undercover policeman. I think the act refers to him as a peace officer, which some hon. members will remember has a pretty wide connotation in the administration of the law—a person who in fact can give the kind of evidence given by a police officer and act in a police officer's capacity. Is this the concept of rehabilitation that we have for young people whom we are trying to somehow put back positively and in a healthy way into society? Surely not. Yet that is the definition found in this legislation.

Mr. Woolliams: It is too bad the hon. member for Sault Ste. Marie (Mr. Murphy) is not here.

Mr. MacDonald (Egmont): Recently the government received a task force report on youth. I wonder if that task force has had a chance to study this bill. I know a few of the individuals who have given a great deal of their time and energy in trying to advise the government, in a positive way, on how the federal authority can more positively assist the growth and maturing of youth in this

country. I think the members of this task force would, frankly, be shocked that a government would be putting before this legislature the kind of recommendations found in this bill. Surely, there is a responsibility laid upon them to ask that group for their frank and objective opinion of these kind of measures in law.

An earlier speaker suggested, in reference to some of the comments from this side of the House, that we were asking for more permissive legislation. I am sorry that the hon. member for York East (Mr. Otto) did not go on to indicate what he meant by that remark. I presume he meant a kind of laissez faire approach to those who do not want to follow the law as well as those who commit what are called crimes. I think he was not listening very closely to what was being said from this side of the House, because what we request is not permissiveness but understanding. That, in the first instance, is what is needed.

Some hon. Members: Hear, hear!

Mr. Paproski: He does not know the meaning of that word.

Mr. MacDonald (Egmont): One fails to find in this bill a genuine understanding of what the problems are today with respect to the treatment of young people and children who commit crimes. Surely, what is needed in the first instance is understanding. Coupled with understanding there is a need for realism. Again, there is no realism in this bill which would suggest that by this approach the government will be able to substantially lessen the number of young people who eventually accelerate their way into hard-core crime. Third, it seems to me that the government has to accept some measure of responsibility, and I see very little of it here except in the drafting of suggestions which other people may have to implement.

We have already heard from the largest province in this country about the expense that will be incurred to even begin to put into effect some of the suggestions in this bill. Yet there is no obvious intention so far indicated by the government that they are prepared to give that kind of leadership, not only to the wealthiest province which has already indicated the cost that will be put upon them but to many of the other provinces which have not nearly enough resources to try to change their methods of rehabilitating young people.

In spite of what I have said this evening, I retain some measure of optimism about the government's behaviour in this matter. I would not have said this two or three months ago but, frankly, I was surprised and pleased when not too many weeks ago the government willingly dropped their measure attempting to restrict the power of the Auditor General. It was an important gesture when the government, realizing that it had put forward an unwarranted and unacceptable measure, willingly let it drop.

I feel that for the second time in this session of Parliament we have a similar piece of legislation. There is an amazingly high degree of unanimity among people, running the gamut from those who are concerned with the social welfare aspects of young people and their criminal behaviour to those who must administer the law in the courts and elsewhere. Almost to a man they have said that this is bad legislation and that it can do nothing but harm to this country.

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): I appeal to the minister and to the government to listen to these voices, not just the voices of those of us who are speaking from the opposition but of those who speak from the various positions that they hold in public life and who say: Please reconsider these serious measures. This country needs leadership, but the leadership that is being placed before us now can only take us back to the dim, dark recesses of the past.

• (8:50 p.m.)

Mr. S. Perry Ryan (Spadina): Mr. Speaker, to the newly-appointed Solicitor General (Mr. Goyer), who is well fitted for his position, I should like to convey my congratulations and express the hope that he will enjoy success in his portfolio which holds a great deal more responsibility today than it did a few years ago.

To my friend of many years, the former Solicitor General, the hon. member for Ottawa Centre (Mr. McIlraith), I express my regret that he has found it necessary for personal reasons to resign from the cabinet. He was a cabinet member whose views often appeared to be closer to my own than the views of some others in the cabinet. He has been an excellent House leader, has graced his ministership, and retires from the cabinet respected for his accomplishments. I do not think he had very much to do with the drafting and launching of Bill C-192, Mr. Speaker. I suspect it came up from below at a time when he was too busily engaged with public order and other problems.

Neither do I believe that the lawyers in the cabinet committee, nor the cabinet itself, have given much screening to the bill, otherwise they would have rewritten or revised it thoroughly. If the amendment is defeated, then either the cabinet must rewrite the bill or hope that the Standing Committee on Justice and Legal Affairs will revise it sufficiently to make it at least palatable. In the first place, Mr. Speaker, the bill is written, like so many of the government's bills, in too verbose and vague a fashion. The idea seems to be to fill bills with verbiage to give the impression of great accomplishment. But for practising lawyers, administrators, social workers and members of the judiciary, long, confusing codes cause chaotic cases and unnecessary appeals. The fact is that this bill is just about twice as long as the act it repeals, the Juvenile Delinquents Act of 1929, and it is not half as good as that act.

Some reform is needed, but not in the way Bill C-192 is conceived and worded. Section 38 of the Juvenile Delinquents Act of 1929 reads almost the same as clause 4 of this bill, but the old act specifically said that juve-

nile delinquents must not be treated as criminals. The new bill omits this caution and gives a very vague notion of how some parental guidance is to be given in new reformatories to the committed offender.

Clause 7 of the bill reads:

No person shall arrest a young person without warrant where he has reasonable and probable grounds to believe that the public interest may be secured by proceeding otherwise than by arrest without warrant, unless, in his opinion, it is in the best interest of the young person that he be arrested immediately.

I suggest to you, Mr. Speaker, that the second part of this clause completely cancels out the effect of the first part. The arresting officer is the sole judge. It is his opinion that counts as to whether he makes the arrest or not. So, I ask, why have the clause at all? I submit that this is another example of verbiage. There is a little note to one side saying, "Limitation on arrest without warrant." But where is the limitation? Is this not just a futile attempt to give the appearance of a special deal for a young person, when there is no special consideration there at all? The old act had nothing like that in it. In my opinion, the old act is much better in this case, because it does not do a young offender any harm at all to be picked up by a police officer and taken to a juvenile court. Sometimes a good scare is all that is needed to straighten out a young lad or a young girl. The police officer is usually a very kindly fellow. The child comes before the judge and is admonished. In most cases he is promptly released to go home and there is no more problem with him.

In some cases a child cannot be dealt with in this way, but I found as a practising lawyer and Big Brother, working in the Toronto area for 20 years with the juvenile and family courts, that there was seldom need to have a child or young offender represented by a lawyer in juvenile court unless it were a very serious case. However, under the provisions of this bill there will be great need for consideration by lawyers of the charges involved. No longer will you be able to rely upon the judge and probation officer when the judge has the right to have a child fingerprinted and has the power to have him photographed if he happens to get particularly alarmed about an alleged offence.

Under clause 16(5) there is a new penalty in this bill, with provision for a fine of $100 or 90 days in jail for failure of parents to appear if found guilty, on the basis of contempt of court after having been notified. In my opinion, the 90-day provision is too severe. I submit it should be reduced to ten days for a first offence. I am not altogether against the provision, but I do think it is too severe.

With respect to clause 24(1), if I read it correctly, a young person over 14 may have his case transferred to a regular court at any time before the verdict of a juvenile court is finalized. Thus he, his witnesses and his family may be subjected to two almost complete trials or hearings, possibly lasting many days. This is a bad feature. It means more work for lawyers in juvenile cases, work they are not particularly seeking.

Then there is clause 30(1)(k) which, along with clause 30(4), has been either conceived unintelligently or written in an inconceivable fashion. It gives power to hold young persons in certain serious cases until they are 21 years of age and sentence them to a possible life sentence. which is 21 years in practice and probably ten years in effect. Many other hon. members have spoken about this and I do not want to pursue the matter further. These portions of clause 30 should be reconsidered and revised, if not discarded completely.

In Ontario in the past, Mr. Speaker, parents were always responsible for the support of their children until they reached the age of 16 years. But under clause 15 and clause 16 of this bill they can be forced to appear on behalf of young persons until they have reached the age of 18, and in some cases 21, or else be held in contempt of court. I think this should be limited to the age of 17 and that subpoenas should be used in other cases because, after all, the voting age is going to be lowered to 18.

By raising the age limits in the definition of "child" from 16 to 17, and 18 in some cases. the government puts a laurel wreath on its own head but a heavy burden on all the provinces. The Hon. Allan Grossman, Minister for Correctional Services in Ontario, points this out. He says that this factor in the bill, and others such as fixed sentences, will cost his province $20 million for additional training schools and they are not ready for that kind of forced virtue, particularly when they believe that their way is much more flexible for the young offender and for all concerned. If enacted in its present form, the bill may be largely ignored for some time in this respect. Of course, grants for the extra training schools could sweeten the picture, but there is no mention of these or of other kinds of similar assistance from the government.

Under present legislation in Ontario, a child's record is confidential and cannot be used against him on a later charge. A judge cannot make an order under the Identification of Criminals Act, which involves finger-printing and photographing for RCMP records. But under this bill a judge can make such an order if he sees fit, and the record is there presumably for future use in evidence if the child is ever again in trouble.

• (9:00 p.m.)

Mr. Speaker, a child has not needed to have his record pardoned in the past, but some will need to have theirs pardoned in future if the bill is enacted as it now reads. With this feature in it, more lawyers will be retained to advise parents to let or not let their children go unrepresented in court. This, in my opinion, is a very bad power. I hope the Solicitor General will look at this provision very, very carefully before supporting it further.

In Ontario at the present time, children are confined in institutions for indefinite periods, which is far more satisfactory than fixed terms. I say this on the basis of my own experience. All concerned about the welfare of the child can determine in such cases when to hold him further or when to release him. It is almost invariably in

his interest that this be the case, although he may not think so at the time. This is the solution that is much preferred by the Canadian Mental Health Association which, as we know, has a very poor regard for the effort demonstrated by this bill. Mr. Crossman suggested that a review board be set up which would from time to time review the cases of all children confined in training schools, in order to make sure that no child is being incarcerated unreasonably. I think this is an excellent suggestion.

I think the government is making a bad mistake in lowering the age from 12 to 10 years, as will be the case in Ontario. That will be the fact if this measure passes, and I think the government will be making a bad mistake. No matter how nicely you skate around it, the 10-year old and 11-year old child will be charged with an offence. Mr. Speaker, why does the government ignore years of experience and knowledge in the handling of young offenders, for the sake of an image that I submit will prove to be false? If a bill like this is enacted into law, young offenders will need friends. I submit that the amendment should carry.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in rising to speak in this debate I wish to join other members in congratulating the new minister on his appointment, wishing him well yet expressing my regret that he has begun his important task as a minister by bringing in a bill which, so far as I can tell, has met with the almost unanimous condemnation of everyone who does not work for the federal government but works in organizations active in dealing with young people unfortunate enough to get into difficulties with the law. That is not surprising. As we look at the record of the Canadian approach to crime and to correction over the past number of years, we see a country which has more people, per thousand of population, in prison than any other country in the western world—2½ or three times as many people in prison as is the case in Great Britain.

We see a country which has consistently over the years taken the view, openly or through failure to act, that the way to deal with crime, the way to deal with people who break our law, is to send them to prison, to send them to some kind of correctional institution, training school or whatever else you may want to call it. When we made progress in recent years, it was as a result of the insistent demands and tremendous work of public education carried on by organizations such as the John Howard Society, the Elizabeth Fry Society, the Canadian Corrections Association, the Canadian Mental Health Association and other organizations too numerous to mention.

As one looks at their reaction to this bill, one finds almost unanimous rejection of its entire proposals. I say "almost unanimous' because I want to protect myself; I have not heard all the people who have commented on the bill, nor have I read all the literature on it. But I say to the minister that everything I have read, all the reaction I have witnessed, all the reports I have seen and all the comments are adverse to it. I have yet to see one report which does not suggest that this bill contains such serious defects as to make it unworthy of being rejected in toto or being sent back for the most fundamental and searching scrutiny.

I want to put on record some of the comments which have been made, because at least one report that I saw last week in a newspaper which is read, I suppose, by more English-speaking Members of Parliament than any other in the country—it is my impression that the reporter obtained his information from the public relations officer, or someone similar, in the minister's department—indicates that there is no real objection to this bill except those objections which might come from the Ontario Department of Corrections and its minister. Well, Mr. Speaker, nothing could be further from the truth. I want to put on record some of the comments of individuals and organizations which have had more experience than any member of this House, including the minister, in connection with the difficulties and problems involved when young people get into trouble.

Other members have already spoken about objections of the Canadian Mental Health Association to this bill. If I have time, I will come back to that subject later. That body has objected vehemently and in a manner which I have seldom heard in connection with any question it has dealt with in recent years. Judge William Little, chairman of the Ontario Juvenile Court Judges' Committee on Delinquency, has taken serious objection to this bill. I shall quote a few sentences from a statement Judge Little made. He said in part:

> "The intent of the original act (the Juvenile Delinquents Act) was to have a social objective of the rehabilitation of children," he said. "It seems to me this intent has been lost in the new bill"—
>
> "They (federal legislators) have turned the focus from treatment to an attempt to make the Juvenile Delinquents Act consistent with the Criminal Code. They are assuming that a judge can measure the required amount of treatment. With a time limit, it's like taking a person out of hospital in the middle of treatment."

Don Sinclair, executive director of institutions in the Ontario Department of Corrections, according to an article which appeared in the Toronto *Telegram* of December 29, 1970, said flatly that if the act is adopted as it stands, Canada would be taking a backward step. The metropolitan Toronto Children's Aid Society sent a telegram to the former Solicitor General asking that it and other agencies be given ample opportunity to comment on the bill before it obtained final passage. The Children's Aid Society of Toronto is preparing a brief, I presume, to the Standing Committee. The director of the Children's Aid Society of Toronto, Lloyd Richardson, was horrified at many aspects of the bill. He said:

> The framers of this new act asked for and got a great deal of expert advice and opinion . . . Unfortunately, not many of their ideas seem to have been incorporated.

That is consistent with other actions of this department. For example, it went ahead and built a maximum security institution which was universally condemned because it had no windows. In response to a telephone call, I received a letter from the director of juvenile corrections and metro probation, Department of Health and Social Development, of Winnipeg, dated November

27, 1970. I want to put this on record so the minister will know it is not only a few people in the city of Toronto and elsewhere in Ontario who are angry with his department and are opposed to this bill. I wish to quote part of what was said by the director of corrections and probation in Manitoba:

• (9:10 p.m.)

> The act on first reading impresses one as being a Criminal Code for juveniles. Despite an attempt in section 4 to establish a philosophical base, the act contains so much procedural detail as to overshadow its intent. Furthermore, it is important, it seems to me, that an act which establishes a general approach for the handling and treatment of children in conflict with the law (a matter that can touch any individual or family) should be comprehensible to the lay reader. Only those whose responsibilities require an intimate working knowledge of the act are likely to develop a clear understanding of its basic philosophy and operation.
>
> One stated objective of the new legislation is to eliminate the terms "delinquency" and "delinquent," which it has been suggested impose a stigma on a child brought before a juvenile court. However, what is in fact gained when the terminology that has been substituted is copied from adult court practices, for example, "arrest," "offence" and "offender"? It does not seem particularly appropriate to call a 10-year old a young offender.

That is what the bill states, Mr. Speaker. I continue quoting:

> It may be that upon more thorough study of the act, section by section, that enlightened practices may be possible. Be that as it may, one would like to have seen in the act greater recognition of the variety of programs and approaches now being used in the juvenile field, as well as greater encouragement to pioneer new approaches. The act tends to suggest a stereotyped approach. For example, the details which are to be included in a probation order imply a stereotyped idea of probation, and fail to recognize the irreversible trend in the field toward the development of an array of services between probation and institutional placement, which combine—where appropriate—features of both—
>
> The act appears to place undue authority and responsibility on juvenile court judges without saying anything about qualifications for appointment to judgeships. Neither does the act offer any guidance or ensure that the court will have available to it the services of suitably qualified people to conduct enquiries into the background of children appearing before the court, to propose treatment plans for the court's consideration, or to provide treatment. Without such services, a juvenile court is little more than an adult court.

I could quote Dr. Dewalt's letter in more detail; however, I think I have read enough to clearly show that in the province of Manitoba there are serious objections to the proposals of the government. If the minister and the department wanted a philosophical basis on which to deal with young people, they did not have far to go.

In Ottawa we have Dr. Charles Roberts. Dr. Roberts is professor and chairman of the department of psychiatry, University of Ottawa, and psychiatrist in chief of the Royal Ottawa Hospital. He was formerly executive director of the Clarke institute of psychiatry, University of Toronto. Dr. Roberts, together with Dr. Denis Lazure, the executive director and medical superintendent of the Hôpital Rivière-des-Prairies, Montreal, was co-chairman of the committee sponsored by a very impersonal group of organizations working in the field of children and young people. This study was sponsored by the Canadian Association for the Mentally Retarded, the Canadian Council on Children and Youth, the Canadian Education Association, the Canadian Mental Health Association, the Canadian Rehabilitation Council for the Disabled and the Canadian Welfare Council. The result of this study was published more than a year ago. It is entitled "One Million Children."

If the minister or his department had referred to that section of the volume which deals with the child as an offender, and had read the relatively short analysis of the problems of young people who get into trouble, they would have read a philosophy which completely rejects the approach embodied in the bill brought forward by the minister. The report points out that what is required is informal and timely handling of minor offences. This could be extended by the development of youth bureaux, as recommended in the 1969 report of the Ontario Law Reform Commission. Instead of informal and timely handling, we will have formal, legalistic, detailed judgments by judges rather than by people who are experts in rehabilitation.

The report points out that children who appear in the courts as offenders are oftentimes children for whom the community can find no other placement. These children have had difficulties more than once and have frequently been seen by many agencies. Often they are sent to training schools because there is no other place for them. That is what we have had until now. Will we have anything different when this bill is passed? Not really. The government is proposing to examine the actual crime much more formally. The bill does not contain anything with regard to the cause of the crime or how to deal with a child of 10, 11, 12 or 13 who has committed an offence and is brought into court.

The report points out that probation officers and clinical personnel working with the courts, report that there is not adequate staff to deal with the problems of children who are brought before the courts. The whole area of care and treatment for juvenile offenders is given low priority by those handling funds for education, health, welfare and manpower services. That is an indictment of municipal, provincial and federal governments. Some years ago we were willing to embark on a program which would have cost the people of Canada $100 million. New institutions were to be built to help adults convicted of crime. We have not indicated to the provinces that if they will extend their probation services the federal government will pay one-tenth of the cost. We are willing to pay to lock up people. We are not willing to find ways to treat people so they will not commit crimes in the future.

In 1966, the Dominion Bureau of Statistics reported that over 20,000 juveniles under 16 years of age were charged with being delinquent. Of those charged, 90 per cent were found to be delinquent. I refuse to believe that in a country the size of Canada 20,000 young people were branded as criminals in the year 1966 by the police, prosecuting authorities, and courts. It is not true. We have not adopted modern methods which may eliminate

the causes of young people getting into difficulty. In the report "One Million Children," Dr. Roberts and Dr. Lazure sum up their approach to the problems of young people as follows:

> We believe that the process of labelling a juvenile as delinquent, and the associated names—incorrigible, truant, sexually immoral, vagrant, is unsupportable because the effect is to increase the alienation of the child from society by defining him in a derogatory way and isolating him from his normal social environment.

• (9:20 p.m.)

If it is wrong to label young people delinquents, it is just as wrong to label them offenders, because the two terms are in fact synonymous. The report is critical of the use of detention during the pre-hearing period and in the period between trial or hearing and the day the judge disposes of the case. It points out that there are few institutions which accept delinquents for a course of real treatment, because these courses are difficult to carry out. They present a demanding task requiring highly trained staff, which we do not have. They wind up their relatively short section on the child as offender by making a number of recommendations that I should like to put on the record. One realizes, on listening to the recommendations, how far short this bill falls in meeting the recommendations which Dr. Roberts and Dr. Lazure propose. The report recommends:

> That the juvenile courts/tribunals for minors be restricted to the 14 to 18-year age group.

This bill provides that the act, which defined a child offender as someone over the age of seven, will be amended, so the age is raised to ten. I suggest that nobody aged 10, 11 or 12 should be labelled a juvenile delinquent, a child delinquent or an offender. The report also recommends:

> That children under the age of 14 be brought before the courts only under child protection legislation.

That provision is not made in the bill, either. The report recommends:

> That only violations of the Criminal Code or provincial or municipal statutes be classed as delinquent behaviour requiring appearance in juvenile court.
>
> That legal counsel be easily and freely available to the offender appearing before the juvenile court and to the parents accused of neglect of a child who is alleged to be in need of protection.
>
> That professional schools training personnel for work with children and adolescents or for the administration of justice include delinquency in their curriculum.
>
> That juvenile courts and training schools encourage the participation of individuals and community groups in the planning and operation of existing programs to increase the community understanding and support for the needs of the juvenile delinquent.

My colleague from Broadview (Mr. Gilbert) said that this method is being used in Great Britain, and I think my colleague from Greenwood (Mr. Brewin) said it was also being used in Sweden. Instead of this, we are more and more to rely upon a very legalistic approach, more and more to rely, if this legislation is passed in its present form, upon a judge to make the decision as to what shall be done in a given case. The report also recommends:

> That the personnel working with the young offender have access to a variety of community, education, health and welfare services.
>
> That all juvenile courts use specialists in child and adolescent behaviour to assist in the diagnosis of the problems and needs of the young offender and to formulate rehabilitation programs.
>
> That aftercare services for delinquents be given budget priority to increase the number of staff involved in this function and to improve their training.

I have read those recommendations into the record to show just how much we have ignored such proposals and just how far we have gone in the direction of a much more rigid, more legalistic and punitive approach to those young people who get into difficulty and break our laws.

I want to spend a few moments to put on the record arguments advanced in opposition to the bill by the Canadian Mental Health Association. I do so because to my knowledge no organization has made a greater contribution to a better understanding of the problems of people who get into difficulties, be they adults or the young, than has this organization. This organization has over the years called for greater concentration on rational methods of dealing with people who find themselves in this sort of difficulty. This is an organization that has called again and again for governments to stop using punitive measures and to begin adopting humane approaches which will have positive effects in assisting those who have fallen afoul of the law. In a letter that the Canadian Mental Health Association sent to all members of this House and to the members of the other place, the following paragraph appears:

> To appreciate the significance of our association's strong objection to this act, it must be recognized that the psychological and physical needs of children are different from those of adults . . . A Criminal Code based on the notion that specific offences merit a specified range of punitive procedures may be appropriate for adults but definitely not for children—
>
> Basically it is the position of this association that there should be a separation between the judicial process and the process of determining appropriate treatment, training, supervision and aftercare. The former should be considered to be a matter of due process—

In other words, considered by the court.

> —while the latter deals with decisions concerning the particular needs of the child with a special emphasis on his rehabilitation. For this reason, decisions concerning the disposition of the child should be for an indefinite period with his civil rights fully protected by provisions of an independent external review board for review at stated intervals—

What this bill provides is exactly the opposite; it provides that judges shall impose sentences for specific periods of time. The Mental Health Association goes on to say:

> With these principles in mind, it is obvious that the proposed legislation limits the options of the court for making disposition for the child. No provision whatever is made for after-care and rehabilitation—and the suggestion that a child would benefit by being "sentenced" to become a ward of the Children's Aid Society for a period "not exceeding two years" is not only impractical—it is ridiculous.

The letter concludes with this paragraph:

It is the hope of the Canadian Mental Health Association that Bill C-192 will either be defeated or drastically amended and that in the event of it passing second reading, it be referred to the chairman of the Committee on Justice and Legal Affairs with the recommendation that provision be made for receiving submissions from concerned organizations and from the general public.

I am reasonably certain that submissions will be called for, but I want to say a few words in response to a speech made this afternoon by the hon. member for Sault Ste. Marie (Mr. Murphy) who rejected almost in toto the arguments made on this side. I think he implied that the arguments were being made for political and partisan reasons only, and the hon. member refused to deal with the arguments put forward by some of the organizations and persons to whom I have referred. The hon. member suggested we ought to pass the bill, and he said that he and other members—I presume he was talking about government members—would be quite open-minded in regard to amendments when the bill received clause by clause consideration in the Justice and Legal Affairs Committee. What the hon. member conveniently forgot to say was that once this bill is given second reading, the House has in fact adopted its provisions in principle.

• (9:30 p.m.)

In the news story I referred to earlier, which appeared in the *Globe and Mail* and which obviously came from sources within the department, it was made very clear that while the government would be prepared to consider certain minor amendments, there was no disposition to consider any major revisions or amendments to the bill. Under those circumstances, I do not see how members on this side of the House or on the government side can vote for a bill which has been condemned, criticized, attacked in whole or in part by almost every authority and organization interested in the field of child welfare.

I should like to close by putting on the record, although I know this has already been done, some of the specific objections made by the Canadian Mental Health Association to clauses of this bill. The hon. member for Sault Ste. Marie, other government members and the minister did not deal in detail with the specific objections to the bill which have been made both inside and outside the House. I hope that at the committee stage government members and the minister will deal with the specific objections which have been made by the Canadian Mental Health Association, other groups and associations.

The Canadian Mental Health Association pointed out in a pamphlet they circulated under the title "The Young Offenders Act and the Children of Canada" a number of objections to this bill. They pointed out that under proposed section 35 (6) a person over the age of ten is in fact being dealt with, under the provisions of this bill, as a criminal. This proposed section makes it clear that his fingerprints and photograph will be taken and placed in the records for use at a later date unless the individual seeks a pardon.

The association also points out that in proposed section 74 (1) power is given to the court, when it wishes to exercise that power, to order a child to be fingerprinted and photographed, with the record being forwarded to the RCMP and kept in the central files of that organization. I submit there is something monstrously wrong with a proposal which would suggest that a child of 10 or 11 years of age, having committed an offence, is subject not only to punishment for the offence committed at a very young age but also the stigma of having his fingerprints and photographs placed on record for the rest of his life.

The pamphlet points out that a 14-year-old who has been judged to have committed murder could be committed, under the provisions of proposed section 30(1) (k), to a training school until he reaches 21 years of age—in other words, for seven years—and then could be brought before the courts and sentenced possibly to life imprisonment. The pamphlet suggests this is totally inhuman and intolerable. I think these are mild words to describe that kind of provision.

The last proposed section I wish to refer to is section 30(1) (f) which, as is pointed out in the pamphlet, ignores the fact that at the time the child is before the court it is impossible to state how long his case supervision and treatment should continue. The form it calls for makes it apparent that a child is committed to a training school for a definite period, a period which may seem appropriate at the time but which may be too long or too short. In order words, it takes away that flexibility which is required and which the present act provides.

I have tried to list some of the difficulties which people who have worked in the field, people who have practical knowledge and have seen the inadequacies of our court system, our training school system and with the very large number of young people incarcerated, see in the proposed bill. The difficulties which have been pointed out are so serious and so numerous that I could not vote for this bill. I hope when the bill goes to committee—I have been here long enough to be practical and to realize that since this bill was brought forward by the minister, it will pass second reading and be referred to the committee no matter what members of the opposition say—the minister, who has not had his ministerial post long enough to have any personal responsibility for this bill, will be willing to call as witnesses Dr. Roberts and others, including some of our judges, social workers, correctional officers, probation officers and representatives of organizations such as the Canadian Mental Health Association, the John Howard Society, the Elizabeth Fry Society and a host of others who already have indicated they are unhappy with the bill. I hope the minister will be willing to call these people before the committee and listen to them with an open mind.

If what some of us on this side have reported to be our feelings proves correct, and if these people make the kind of objections we have listed, I hope the minister will be big enough to listen to the objections of people who have an interest in young people, as I think members on all sides of this House have, and rewrite the bill with the spirit and motivation we have expressed, in order to improve the law for young people. The motivations on the part of people who have worked in this field have

already been made very clear, but they are not found in the bill as presently worded.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should first of all like to congratulate the new Solicitor General (Mr. Goyer) on his appointment. I have listened to many criticisms in respect of the bill he brought in and explained so thoroughly to this House in his address. Somewhere along the line there was a bad slip-up, because I am sure the previous Solicitor General, who is and has been a member of this House since I came here, did not see the bill before it reached the present Solicitor General. If there was not any doubt in the minister's mind that he had a bad bill, I think he should now know that it is a bad bill and should withdraw it.

I am not going to deal with all the legal implications of the bill because this has been done very well by the hon. member for Calgary North (Mr. Woolliams) and others. It has been rightly named the criminal code for children. I am wondering why it was not labelled in the same way as the English act, which has been referred to in the House as the Children and Young Persons' Act. I am also wondering why, during the 64 years since this measure was put into the Criminal Code, it was not changed to parallel the English law which has mercifully concluded that age 14 is an early enough age, rather than age ten. In Great Britain no one under 14 years of age can be charged with an offence. Under this bill, however, they may be charged at age ten.

• (9:40 p.m.)

From a humanitarian standpoint, and from the standpoint of plain ordinary common sense, I ask how many members of this House when they were in the age bracket between 10 and 17 did not do something for which they could have been charged had the authorities been present at the right time. All of us have done something wrong, and some of us more than others. Yet we escape scot-free. I think we should bear this in mind. He who is without sin, let him cast the first stone. I do not think the people who drafted this bill thought about their own past.

An hon. Member: They forgot that.

Mr. Rynard: I think the problem is that they have forgotten the humanitarian way of life. Our aim should always be to direct and readjust young people so they can remain on the road to good citizenship. It is not unfair to ask a child to accept responsibility for actions which may be more serious than the signing of a legal document? Although, since he is a minor, he may not sign a legal document, we hold him responsible for his acts. Is this not an example of foolishness?

In this bill the emphasis is on punishment. The drafters have entirely forgotten about prevention and rehabilitation. They have forgotten to specify that in each case there should be a medical and physical examination and an examination by a trained psychiatrist. The home of such a child should be investigated.

The other day a young man 19 years of age came to me. I would point out that never have so many people approached me hungry and in need of help as during this holiday season. This young man came to me and told me he had no money. He said he was trying to live with his mother but that she did not have any money. I checked with the employment agency in an effort to find out why he was unemployed. I was told that he had not been very successful in his last couple of jobs. When I asked the people in the agency why he had not been successful in this employment they told me he was not a very responsible person and was untrained. Since he did not have a trade, they had sent him to a school. This is a school for which we as taxpayers pay. He remained there for three months and then he was let out without any money.

I had the impression that he was not a bad boy. When I began questioning him I found that he had spent six months in the Penetang institution, which is an institution for disoriented people. Then he was sent out to find his way in everyday life as being fit and capable of looking after himself. He went to school for three months through Manpower and was then advised that he was not capable of taking training. Then I asked him about his home life. I asked how many brothers and sisters he had, and he said he had one sister. When I asked him where she was, he told me she was at school. He said she was in grade 8 and was 14 years of age. When I asked if she was living with her mother, he told me she was in the correctional school at Guelph.

I asked this lad what had happened to his sister, and he said she had been convicted for using drugs. I asked him what she had used, and he said marijuana. Then I went a little further and asked how many children there were in the family. He told me he had a brother ten years old who was home with his mother. I discovered that this family had bought a home but were losing it. The mother had been working part-time but could not earn enough to look after the home and the children. This boy told me his father had died when he was ten years of age. When I asked him what had happened to his father, he told me his father was an alcoholic. This lad was ten years of age when his father died, and what he remembers are the beatings he and his mother received. Who is responsible for this boy and the girl who is in a training school? Not this boy who is 19 years of age and without a job, or the girl who is in a training school. We, society, are responsible for these people.

Fortunately there is a quality of mercy. I have taken this matter up with the authorities and am hopeful that a suitable home and some welfare can be provided for this mother so that she will have enough to live on. This woman has only a grade 5 education and is unable to do anything but unskilled work. The responsibility is ours. I think of the drug question and the girl being put away because of using marijuana. We might ask where she obtained the marijuana, and who is responsible. Then I think about the way we treat our young people, discredit them and say they use drugs. Then I look at the statistics in Canada concerning the number of alcoholics. Mr. Speaker, the statistics in respect of alcoholics show that there are half a million people involved. I am sure that if alcohol were a new drug today, it would be outlawed

because of the damage it does to human beings. Because of the use of drugs our young people are branded as criminals and now, with the social security number, they carry a record for as long as they live.

• (9:50 p.m.)

This is not fair and it is not right. I think everyone in the House is aware that some children develop later than others. I have seen teenagers of 17 or 18 who were considered pretty stupid, only to find them later on in their thirties and forties much smarter than the kids they were compared with when they were younger. I remember that even in my own field of medicine there was a fellow who was not considered the brightest scholar. He had sups year after year. But there was a humanity in the world then that does not seem to exist today. That student was carried along by professors who believed in him. Finally, he came to his last year and graduated. He was a fine fellow morally and spiritually, but he had to be carried along.

Such a course would not be considered today. We have lost contact with the great principles that count for so much. Today, materialistic things count more than anything else and people would be looking at his marks and at nothing else. However, that medical student became a doctor. Twenty years later I was in another country and saw his name up on the blackboard announcing that this top-flight medical man was coming to address a meeting two weeks hence. I point this out to show you the mistake that can be made regarding youngsters between ten and 17 or even older. People do not mature at the same age and kids are not all the same, as has been pointed out over and over again. You can consider two kids who have committed the same offence—one needs no treatment and the other needs a period of supervision to keep him under control and to guide him.

If we follow the statistics, we find this proven over and over again. Eighty per cent of young offenders never come back to the courts; they only commit one offence. Is it fair, then, to label that 80 per cent for the rest of their lives, or to bring them up for trial when they are 21 years of age for acts which they committed when they were not responsible, when we would not accept their signature on legal document's as minors under our law?

As I have said, some young people develop much later than others. There is also the question of differences in intelligence, experience and judgment. We have seen people who are quite intelligent but who have poor judgment. If this is the just society, let us change the meaning of the term. The hon. member for Calgary North spoke very well indeed. I think most of us who heard his speech in the House heard a very excellent exposition of this bill. He referred to a young teenager who might be convicted for driving while impaired, who drives again and again is caught. That fellow can get a two-year sentence, but the same thing will not apply to an adult. Obviously this is unfair.

The same thing would apply in the case of murder. A young fellow can be arrested at the age of 12, 13 or 14 and, as the hon. member for Calgary North and others have pointed out, when he is 21 years of age he will again stand trial, after which he may receive a life sentence for an offence which he committed when 14, an offence which is probably only dimly remembered by him and for which he can hardly be held responsible. If the government now complains that their bill is misunderstood, I do not think they have anyone but themselves to blame. I read from a letter I have received, one of many:

Dear Dr. Rynard:

I am writing to request your support in protest of the proposed new young offenders act, recently given first reading in parliament. It is to replace the Juvenile Delinquents Act now in effect in Canada. As a supervisor of juveniles with the Ontario Department of Correctional Services, I feel that this is a definite step backwards in the rehabilitation of juveniles. The new act proposed appears to be shifting the major orientation of training school programs away from treatment, toward custody and punishment. The terminology alone, as "inmates" and "sentence", testifies to this. Such labelling in young persons is bound to have a backlash effect; the terms will become self-fulfilling in producing a deeper negative self-image and in perpetuating anti-social behaviour. Juveniles are not hardened criminals; they are still capable of being rehabilitated if given encouragement and a flexible program geared to their individual needs . . . Fingerprinting, RCMP photos, and set sentences are not good basics for effective juvenile treatment, and I feel certain that the rate of recidivists will soar if this proposal is accepted.

That is just one example of letters that we are receiving. Now the government complains. If it is anybody's fault, it is theirs that they have not been able to explain their own bill. The *Globe and Mail* puts the finger on it when it writes as follows:

But the basis of the act, the concepts upon which it is built, have been so thoroughly undermined by qualified criticism that, in the absence of adequate replies by federal officials, we can no longer accept it as a progressive document. No doubt it would improve the situation in some provinces. But the conviction is growing that in many key areas it would be a retrogressive piece of legislation—

The trouble so far has been that federal officials have refused to answer the criticisms. Refused even to discuss them. And government spokesmen give every indication that although they will accept changes to the bill, they will not accept any that touch upon basic issues.

The most damning criticism of the proposed act is that "it is, in fact, a criminal code for children, which is distasteful in its terminology, legalistic in its approach, and punitive in its effect". It is a criticism often voiced.

But it is one that is still to be answered. In conclusion, I say that this bill should be withdrawn. I believe that in this House we have able and capable people who have been active in the field of sociology and who are quite capable of advising the government of changes that should be made to this bill. However, it is such a bad bill that it will have to be withdrawn. Let us start again and write a new bill of rights for the children and young people of this country.

Proceedings on Adjournment Motion

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, before we proceed to the adjournment debate I would ask the President of the Privy Council to confirm, for the benefit of all members, the items to be placed before the House tomorrow. Would he also confirm the understanding that we will continue the budget debate on Monday and, hopefully, Tuesday?

• (10:00 p.m.)

Mr. MacEachen: Mr. Speaker, I confirm the order of legislation which I announced today, with the change that instead of continuing with the bill that has been before the House today, tomorrow we will take the crop insurance legislation and continue the order of business as announced. On Monday we will take the budget, definitely. Perhaps the quality of speeches will be so persuasive on Monday that a debate on Tuesday will only be redundant. We will only know that on Monday.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we welcome the information that the minister has given us. May I ask him whether the fact that we are not proceeding with the young offenders bill tomorrow means the government is giving consideration to the possibility of withdrawing it?

Mr. MacEachen: No, Mr. Speaker. We want to give consideration to the two days' debate on the bill, but not for the purpose of withdrawing it.

PROCEEDINGS ON ADJOURNMENT MOTION

AIRPORTS—PROVISION OF RAPID TRANSIT GROUND FACILITIES

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, my question involves comments on a reply received from the Minister of Transport (Mr. Jamieson) when I asked a question on November 17 regarding provision of rapid facilities on the proposed bridge to serve the Vancouver international airport. All of us are aware of the dangers to humanity of the internal combustion engine, and of the fact that many large urban centres are suffering from emissions from it. In fact, some large cities are slowly strangling to death.

We all know that the oil companies are trying to capitalize on the knowledge of the people and the resultant popular apprehension by a vigorous advertising campaign directed to selling low-lead or no-lead gasolines. Whether these new products are just advertising gimmicks and the people who buy them just willing suckers, or whether they are real scientific advances is not for me to say since I do not have the expertise; but I strongly suspect that the former is true.

The point is that for the past quarter of a century our cities have become slaves to the automobile and we cannot build freeways and bridges fast enough to meet the demand. As our freeways develop and spread into suburbia, people move farther out into the suburbs, ultimately putting more traffic in the arteries we have developed. The traffic density which grows, prevents the freeways from accomplishing what they were intended to accomplish and they do not provide much in the way of transportation efficiency for very long.

Collaterally, many of our urban cores have become large parking lots. Sometimes these are tax havens. Anyway, our city cores are hollow in the centre and devoid of those characteristics that make up a balanced, viable community. People do not live there anymore; they get out of these areas as fast as possible. The construction of freeways is something like a dog chasing its tail. The construction of freeways and urban core disintegration are coincidental. But, Mr. Speaker, people will not put up with this situation forever. One need only look at Ottawa and its Queensway during rush hours to appreciate what I am saying. The Queensway is packed with automobiles from one end to the other during rush hours, each vehicle usually containing one driver only, grimly attempting to get to work and return home again without developing ulcers because of the tie-up frustrations and without developing lung cancer from exhaust emissions.

Even if we built another Queensway I do not think it would help a great deal. The result would not be less traffic on the present one, but more farmland would be gobbled up, so we would have the same situation of one driver in each car driving more miles every day to get to one more downtown parking lot. We have all heard about the Spadina expressway in Toronto. That story further documents the fact that people are beginning to react and are not just accepting these things. There is no such thing any more as a cowed electorate, and that is a good thing.

Some Members of Parliament, notably the hon. member for Cape Breton-East Richmond (Mr. MacInnis), have been extremely critical of the chairman of the National Capital Commission, Mr. Douglas Fullerton. In my opinion, his comments on automobiles and expressways and his criticism of the depredations of the automobile, with their resultant social disintegration, are bang on. His speeches on the subject are certainly worth reading. This all started, as I said earlier, on November 17 when I asked the Minister of Transport a question which was supplementary to one asked by the hon. member for Crowfoot (Mr. Horner). The minister assured the hon. member that he was indeed very well aware of the need for rapid transit systems in cities. I asked this supplementary question on the subject of rapid transit systems, as reported at page 1235 of *Hansard:*

> In view of the discussions on this question, could the minister advise the House why in his consideration of rapid transit systems to and from airports in major cities there has been no provision for rapid transit facilities in respect of the new bridge to serve Vancouver airport?

The minister replied:

> For the simple reason, Mr. Speaker, that a number of authorities on the matter, excluding the authority of (the) hon. gentleman opposite—

The minister was referring to me.

—do not believe this is the best way to proceed on this question. That is why a full and detailed study is being undertaken.

It may be undertaken; yet the point is that there is no provision for rapid transit facilities on that bridge. I must have nettled the minister. He is usually quite affable and friendly. I do not know what I did to upset him, but his reaction seems to suggest that he thought I was questioning his experts. I did not suggest his experts were wrong. My purpose in asking the question was merely to ascertain whether, in spite of his fine words, the minister was really sincere about the future of rapid transit in any city. I have decided that he is not.

We are about to spend $21 million of public money on this bridge over the Fraser River, to serve principally the Vancouver international airport on Sea Island. Since this bridge may have a lifetime of 50 years or more, and the recent greater Vancouver transportation study—

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

Mr. Rose: On a question of privilege, Mr. Speaker, since a few points of order were raised just before I began, I wonder if I might be allowed the extra time that was taken.

The Acting Speaker (Mr. Laniel): Order, please. The Chair has taken into consideration the two minutes taken up that way after ten o'clock. The hon. member began just about two minutes after ten. All I can do now is ask the Parliamentary Secretary to the Minister of Transport (Mr. Duquet) to reply.

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member for Fraser Valley West (Mr. Rose) has raised the subject of rapid transit systems and their potential as a future form of transportation in Vancouver. I know from listening to the hon. member that he has acquired a more than adequate knowledge of this very complex subject. I join him in expressing concern about the need to provide fast-moving transit systems in our larger cities, including Vancouver. It is something we should be looking at now, and I am pleased to note that in fact close consultation is under way with many major cities.

On the question of a rapid transit system to the Vancouver airport, the Minister of Transport (Mr. Jamieson), in his answer to the hon. member for Crowfoot (Mr. Horner) on December 17, explained why it was not possible to become involved at the present time in the general form of rapid transit which was being proposed for the greater Vancouver area. Within the Ministry of Transport there has been established an urban transportation development division. It is responsible for a program of research and development, and it is in constant communication with interested groups across the country on the complex subject of public transportation.

I wish to assure all members that a great deal of work is being done on this matter, and I am advised that the subject is being studied intensely by all three levels of government. I would be pleased to inform the minister of the several additional points the hon. member raised this evening.

• (10:10 p.m.)

[*Translation*]

OIL—POSSIBLE REVIEW OF NATIONAL ENERGY BOARD POLICY

Mr. Roland Godin (Portneuf): Mr. Speaker, on November 26 last, I asked the following question of the Minister of Energy, Mines and Resources.

Since the Caloil Company of Montreal announced it was dropping plans to build a refinery in St. Augustin in the Portneuf riding, because the National Energy Board has refused to allow it to sell imported oil west of the Ottawa Valley, could the minister say whether the policy will be reviewed and amended as required?

Here is what the minister said in reply:

No consideration is being given to changing it because it is felt that it was adopted in the interest of the whole country.

This prompted me to ask the following supplementary question:

Does the minister know that the trade barrier put up by the National Energy Board between Quebec and Ontario is a one-way barrier since Ontario can still sell oil in Quebec?

The minister kept to his seat preferring not to answer any further.

Mr. Speaker, because I had mentioned that I wanted this matter to be discussed, my name was put on the list for Tuesday, December 1st. This list, as everybody knows, becomes official only at 5 p.m. when it is read by you. But hear this: at 4.45 that same day I received a telephone call from the Minister of Industry, Trade and Commerce (Mr. Pepin) who had been asked to answer for the Minister of Energy, Mines and Resources, who was not in attendance. The Minister of Industry, Trade and Commerce was merely asking me whether I would not be kind enough to postpone the discussion to a later date because, he said, he did not quite know what to reply.

Mr. Speaker, the reason I feel that the policy of the National Energy Board is in need of revision is that with the population of Quebec I realize the government is trying to direct the refining and petro-chemical industries toward Ontario, which is a sabotage of the development of a peak sector in Quebec.

It is true that the Supreme Court did pronounce a judgment recently but it is also true that the companies involved were represented there by their lawyers, who believed they were right.

In short, even if we recognize the judge's authority to dismiss a case, this does mean that his verdict is always fair.

Allegedly to protect western oil, whose free access to the United States is now announced, very high prices for oil are allowed to be maintained in Ontario, thus increasing profits from these operations and attracting in the province maximum investments in the refining industry.

In order to continue this game, even the smallest quantities of oil must be kept out because, if sold at a lower

price, they would attract public attention and cause the public to make comparisons.

On May 7, 1970, the National Energy Board and the Department of Energy Advisory Council (made up exclusively of major companies' representatives) caused the federal government to adopt rules concerning the transportation to Ontario of oil imported from Quebec. On the following day, the barrier raised between the two areas was closed.

The Caloil Company of Quebec having been prohibited by the National Energy Board from distributing west of the Ottawa Valley the oil that it imports from overseas, this prohibition having been confirmed by the Supreme Court, the company is thus deprived of half of its market and is unable to build a refinery near Quebec City where it owns land valued at $300,000. The land owned by the company, which was incorporated in 1963 pursuant to the Quebec Companies Act, is located at the limits of the municipalities of Saint-Augustin and Neuville. Bordered on the south by the St. Lawrence and on the north by the C.P., this land, across which can be found Hydro-Quebec transmission lines, C.N. tracks and part of Highway No. 2, will also include part of the Northern Highway.

All the company's investigations have confirmed the fact that the site has all the necessary requisites to be an economically valid choice in all respects.

Furthermore, this land is located 13 miles from the Quebec bridge, 60 miles from Trois-Rivières and 110 miles from the Saguenay-Lac-Saint-Jean region.

The setting up of that refinery in Portneuf was announced in 1966 by the former Quebec premier, Mr. Jean Lesage. The project had been part of the electoral platform of liberal candidate Paul-Émile Duplain in the provincial campaign of June 1966. Then, when the federal elections of June 1968 came up, the candidate Jules Lapierre, a friend of the member for Langelier (Mr. Marchand), also included the project in his program. More recently still, in April 1970, during the last Quebec elections, the project was part of the program of Mr. André Sauvageau, liberal candidate for Portneuf.

The regional Chamber of Commerce and the Economic Council of Portneuf have also continuously supported the project. Through the years the company had managed to develop a market for the distribution of imported gasoline and its by-products. That market extended as well in the province of Quebec as throughout Ontario, and annual sales were $35 million, including $18 million in the western part of the Ottawa River.

These last few months, Caloil Company multiplied its representations in an attempt to arrive at a compromise. It suggested for instance that for two years and a half it be granted an imported oil sales quota for Ontario.

Afterwards, it would have sold the neighbour province only oil refined in Quebec. That was refused. It also asked for a quota that would apply only for a few months until it could conclude an agreement with one of the refineries established in Quebec, pending the construction of its own facilities. That was also denied to the company.

[Mr. Godin.]

This discrimination will have serious consequences for Caloil which, with a daily capacity of 10,000 barrels, could consider building its own refinery. Not only will Caloil be prevented to do so but the president does not dismiss the possibility of layoffs among its 2,000 employees. All that on account of new regulations.

But the most revolting thing is that the trade barrier raised by the Board between Quebec and Ontario is one-sided and the National Energy Board representatives were even overbearing when they stated to the company spokesmen and I quote:

If you wanted to establish a refinery in Ontario, our attitude would be quite different.

Mr. Speaker, in conclusion I ask whether the Supreme Court is authorized to rule in favour of Ontario and if I am here as a member of the Ontario legislature or the Canadian Parliament.

[*English*]

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the hon. member has attempted to relate the national oil policy to some sort of dispute between Quebec and Ontario, when in fact the national oil policy has been designed and maintained by the present government of Canada and by previous governments of Canada in the interests of Canada as a whole.

Our national oil policy reserves certain Ontario oil markets for products refined from western crude oil. The government has made it clear to all companies planning refinery construction and expansion in eastern Canada that their planning should not be based on completely free access to Ontario markets. This caused neither surprise nor protest; after all, the oil policy is nearly ten years old. And it has not prevented other companies from proceeding with projects that have included a large refinery at Quebec City, built with federal assistance and due to come on stream shortly.

The claim that sales in the central Ontario market are a precondition for Caloil's refinery project is difficult to understand. A refinery at Quebec City today has access to an eastern Canadian market which is bigger and faster growing than that of Ontario. Moreover, there are large imports of petroleum products to this market which new refineries could displace. The government categorically rejects any suggestion that the national oil policy adversely affects Quebec. Rather, Quebec has been a primary beneficiary of this policy. Quebec's free access to imported oil has given it the lowest petroleum product prices in the country. Industrial development, including the petrochemical industry, has been encouraged, and private consumers have paid less for their oil. At the same time, Quebec has benefited from western Canadian purchases of oil industry equipment and from the use of Alberta natural gas.

As to refining, more crude oil is processed in Quebec than in any other province. There are six refineries in Montreal with a capacity of 450,000 barrels a day. Three refineries in Sarnia producing 205,000 barrels a day and four in Toronto producing 162,000 barrels a day rank next. More crude oil is processed in Quebec than in any

other province. In 1969, Quebec processed 395,000 barrels a day, compared with 343,000 barrels a day in Ontario and 111,000 barrels a day in Alberta. Out of Quebec 66,000 barrels a day of refined products moved mostly to Ontario, comprising all grades of products to the Ottawa Valley, fuel oils and other products to central Ontario. About 8,000 barrels a day of motor gasoline was shipped into Ontario, contrary to the national oil policy.

Ontario is a large net recipient of products, mostly from Quebec and some from the west. The Atlantic provinces ship to Quebec a net volume of 7,000 barrels a day, while Alberta ships most of its refined products to British Columbia, the Northwest Territories and eastward as far as Ontario.

• (10:20 p.m.)

WHEAT BOARD—PRODUCTION AND RECEIPTS POLICY—STATEMENT IN BUDGET RESPECTING STABILIZATION PAYMENTS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I rise to bring to the attention of the House a situation in the rapeseed market which is working to the disadvantage of the producer, and to ask questions of the minister in charge of the Wheat Board who has not been prepared to answer them in the House up to this time.

On December 7 I asked the minister whether he would accede to the Saskatchewan Wheat Pool's policy of bringing this grain under the operations of the Canadian Wheat Board. I received, to say the least, an equivocal answer. On December 8 I asked the same minister whether he would investigate the manipulation and rigging of the rapeseed market, and his answer was that he would make inquiries of the Winnipeg grain exchange as to the situation that then existed.

On December 17 I asked the minister if he would report to the House the result of his inquiries, and his answer was that he had nothing to report to the House at that time. Let me report to this House that the market was rigged. I must inform the House that I know of no other product in respect of which there are two futures markets operating in Canada for one product—one futures market at Winnipeg and the other at Thunder Bay.

I should like to report to this House the spreads of the futures, comparing Vancouver with Thunder Bay. I use as my source the Winnipeg Free Press of October 1. The spreads were 1-1/4 cents on October 1, 3/4 of a cent on October 8, 4 cents on October 15, 1-3/8 cents on October 22, 5-1/2 cents on October 29, and then all at once on November 5 there was a 49-cent difference between these two near futures markets. On November 12 it stayed at 41-1/2 cents and finally, on November 19, it stayed at 45-1/4 cents. This spread continued during a time when maximum deliveries from farmers were starting to come from the new crop, and they have narrowed since. In addition to this, one can compare the difference between points in Saskatchewan such as Maidstone and Lloydminster. A farmer will receive 6 to 15 cents more for rapeseed at Lloydminster than a farmer will receive at Maidstone. A similar situation exists at other points which are close together. The price is higher on the Alberta side of the border.

I maintain there is not, and has not been for this period of time, a market which accurately reflects the value of the product. I maintain that the producer has been paid one price in western Canada on the local market, and the purchaser who wished to purchase rapeseed for future delivery at the west coast has been held up as to price. This took place at a time when there were 2 million bushels in storage on the west coast and 2 million bushels in storage at Thunder Bay.

I maintain that these two futures prices, if they were working properly, would reflect only the additional cost of keeping rapeseed in storage at the port of Thunder Bay over the winter season. The spread of 45-1/2 cents does not reflect this cost of storage but reflects, rather, the ability of certain interests in the trade to manipulate the price to their own advantage. Under these circumstances, the minister should report to this House the result of his conversations with the grain exchange in Winnipeg. If he is going to involve himself at all, he should take action to correct this situation. After all, the minister involved himself by going to Thunder Bay and officiating at the opening of the second futures market there.

I do not know how two future markets can operate for a single product in western Canada. I think the producer has suffered as a result of the two futures markets and the manipulation which has occurred. The plea of those who handled rapeseed a year ago was that there was not enough at Vancouver to meet the market. This year, I submit, there was enough of this product to meet the market and while that product was there those who controlled it used their control to their own personal advantage and to the disadvantage of both the producer and the purchaser who wanted to come into Vancouver and purchase rapeseed for future delivery.

I believe it is about time the minister responsible, if he wants to call himself responsible, replied to this House. If he wishes to divest himself of responsibility, he can do so. It is an open-market operation. However, in his answer to me he did not divest himself of responsibility; he said he would investigate the circumstances that existed. I think at this time it is up to the minister to report to this House, not only what he found but also the steps he is prepared to take to correct the situation which I have documented and which existed. I would tell the minister I have spoken to people I know in the grain exchange who are knowledgeable about this situation, and they tell me the situation should not occur.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, close to a year ago a committee was set up primarily to look into the situation in respect of rapeseed in Canada and to report on a number of matters to which the hon. member referred. I shall not go into all the items they recommended, but I would point out to the hon. member in particular that this committee, composed of two well known producers of rapeseed in the Prairies and a distinguished member of the rapeseed association, recommended that a second futures market

be opened. Subsequently this was done. I was happy to be present in Winnipeg at the opening of the Thunder Bay futures market. This will allow the permanent extension of prices for rapeseed which is properly moved out of the east into European and eastern Canadian markets, which we hope to see increasing very much in the future.

I would point out to the hon. member that the existence of the two futures markets can occur because, as he will have noticed, the futures used in the two places involve different months in order to avoid any particular problems. A long time ago I was also concerned about the matter of inverted prices and the spread of price between street and nearby futures. This is one of the matters I asked the rapeseed committee to look into. They made suggestions and some of these were acted upon. Following that it continued to be a matter of concern to me that these situations existed. As well, in October I followed the suggestion of the rapeseed committee to invite the grain exchange to examine these practices.

I would point out to the hon. member that prices in this country are set as a result of discussions between elevator companies involved, particularly the pools, as well as other companies. The grain exchange's reply to my inquiry, after a very thorough investigation, was mailed in a letter to me dated January 8 which came to my hand today. I did have in mind making this reply available to hon. members and I shall take an early opportunity to do so. It suggests a number of things which may allow the removal of the inverted price situation, and several other things which they believe may deal with the spread between the country price and nearby futures.

This spread, of course, is essentially the result of a squeeze on the rapeseed available for immediate delivery in Vancouver, and one recommendation from the grain exchange, made also to the Wheat Board, was that there be no idea at all of a fixed limit on rapeseed in Vancouver. This has already been acted upon by the Wheat Board, and much larger supplies are present there. After seeing the reply from the grain exchange, I am still concerned about the availability of clean rapeseed, in the hands of a variety of people, readily available for shipment to Vancouver and I will be looking into that matter in the future.

Motion agreed to and the House adjourned at 10.32 p.m.

HOUSE OF COMMONS

Friday, January 15, 1971

The House met at 11 a.m.

VACANCY

Mr. Speaker: I have the honour to inform the House that I have received a communication notifying me that a vacancy has occurred in the representation, namely, of H. Russell MacEwan, Esquire, member for the electoral district of Central Nova, by resignation. Accordingly I have addressed my warrant to the Chief Electoral Officer for the issue of a new writ of election for the said electoral district.

ROUTINE PROCEEDINGS

THE CANADIAN ECONOMY

UNEMPLOYMENT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave of the House under Standing Order 43 to present a motion. I do so because of the many people across Canada who are making statements about the critical unemployment situation and the desirability of having some of these people appear before the Standing Committee on Labour, Manpower and Immigration so that we can get the picture and come to grips with the problem. I therefore ask leave to move, seconded by the hon. member for Skeena (Mr. Howard):

That the critical unemployment situation in Canada be referred to the Standing Committee on Labour, Manpower and Immigration, and that the committee consider calling witnesses who can underline the seriousness of the problem and who have proposals to make, including the Minister of Labour for Quebec who has stated that there could be a revolution in that province if unemployment gets any worse.

Mr. Baldwin: And the Leader of the Opposition who has been travelling around getting information.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Winnipeg North Centre under the terms of Standing Order 43. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. The motion cannot be put at this time.

• (11:10 a.m.)

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

UNEMPLOYMENT—DESIGNATION OF ONE MINISTER TO CO-ORDINATE DEPARTMENTAL POLICIES AFFECTING ECONOMIC CONDITIONS

Hon. George Hees (Prince Edward-Hastings): I would like to direct a question to the Acting Prime Minister. As the policies of six departments—the Department of Finance, the Department of Industry, Trade and Commerce, the Department of Regional Economic Expansion, the Department of Transport, the Department of Consumer and Corporate Affairs and the Department of Manpower and Immigration—largely determine the condition of the Canadian economy and consequently the level of employment in the country, has the government given consideration to designating one minister, preferably the Minister of Finance, to co-ordinate the policies of these six departments as they affect general economic conditions in the country so that a co-ordinated and more effective attack may be made on the problem of unemployment?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the hon. gentleman has been a member of cabinets in the past and he knows that the best way of co-ordinating government policy is through the cabinet itself. Many countries have tried the experiment of appointing super economic ministers and invariably they have failed. I do not think it is a useful precedent.

UNEMPLOYMENT—LAY-OFF OF EMPLOYEES BY AIR CANADA

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question. I might just say that the results to date do not indicate—

Mr. Speaker: Order, please.

Mr. Hees: May I carry on with my supplementary question? We used to have co-ordination, but not you fellows.

Mr. Speaker: Order, please.

Mr. Hees: I will now carry on with my supplementary question, Mr. Speaker.

An hon. Member: Tell us about your cabinet, George.

Mr. Hees: Will the Acting Prime Minister look into the reasons why Air Canada, a government controlled Crown

corporation, has laid off between 400 and 500 employees at this particular time, thus setting a very undesirable example—

Mr. Speaker: Order, please. I have two reservations about the hon. member's additional question. I have some doubts whether it is a supplementary question. I think that the hon. member is really taking advantage of the opportunity to ask a supplementary question dealing generally with unemployment to ask a supplementary question not immediately related to the first one. Second, I have the impression that this question was asked yesterday, but if I am wrong perhaps the minister might like to reply to the hon. member's supplementary question.

Mr. Hees: May I just finish my supplementary question, Mr. Speaker? As I was about to say, this is setting a very bad example to private industry at the present time.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the Minister of Transport has been discussing this situation with Air Canada and perhaps he could be permitted to reply.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as I indicated to the House, I believe on Wednesday, I have meetings with Air Canada scheduled for Monday of next week, but up to now I have been following the exemplary conduct of the hon. member for Prince Edward-Hastings when he held this portfolio in keeping my distance, as it were, from Air Canada internal management matters. However, there are some basic questions involved here and I have undertaken to consult with the highest level of management of Air Canada to see if a solution can be worked out.

Mr. Robert C. Coates (Cumberland-Colchester North): A supplementary question, Mr. Speaker. Would the Minister of Transport also discuss with Air Canada at the same time the proposed transfer of the reservation service from Ottawa—

Mr. Speaker: Order, please.

Mr. MacDonald (Egmont): As a further supplementary—

Mr. Speaker: Order, please. We have had two supplementaries which have had little to do with the original question. I recognize they are legitimate questions but they should not be brought in as supplementaries. For the moment the Chair will recognize the hon. member for Winnipeg North Centre.

UNEMPLOYMENT—REQUEST FOR MEETING OF LABOUR, MANPOWER AND IMMIGRATION COMMITTEE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the hon. member for Scarborough West in his capacity as chairman of the Standing Committee on Labour, Manpower and Immigration. Will the hon. member consider covering a meeting of his committee so that we might invite a person like the Minister of Labour of the province of Quebec to appear before that committee to discuss with us the seriousness of the unemployment situation in the province of Quebec?

Mr. MacEachen: You know better than that, Stanley.

Mr. David Weatherhead (Scarborough West): Mr. Speaker, I think we can take this matter up in our steering committee, but I am a bit doubtful at this time that we have any authority to do this.

Mr. Howard (Skeena): How about desire?

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UNEMPLOYMENT INSURANCE

IMMEDIATE CHANGES IN REGULATIONS TO ASSIST HARD-CORE UNEMPLOYED

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I ask the Acting Prime Minister whether the government has any emergency plans to assist the 84,000 people who are classified as the hard-core unemployed, people who have been unemployed for more than six months, compared with the total of 46,000 last year, in view of the fact that most of them cannot qualify for unemployment insurance benefits and are forced to go on short-term welfare which is not adequate and certainly cannot provide a decent standard of living for their families?

Mr. Speaker: The hon. member is asking a question which is very general in its terms. He is inviting the minister, or someone on behalf of the ministry, to make a statement as to what plans may be contemplated by the government to alleviate the very serious situation to which he has alluded. I would think this statement ought normally to be made on motions.

Mr. Lundrigan: Mr. Speaker, may I rephrase my question. This is an urgent matter and I think there should be some latitude so we can get a response from the Acting Prime Minister. May I ask him if there is any contemplation of immediate changes in the unemployment insurance regulations so that many of these people can qualify who do not now qualify under the old Act, and also whether any changes are contemplated in the Canada Assistance Plan with respect to assistance to the provinces, so that these people can at least survive until spring?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the hon. member knows that the government now has under consideration legislation to amend the Unemployment Insurance Act and has published a white paper on this subject. On the second point, Mr. Speaker, the ministers of welfare are meeting here in Ottawa toward the end of this month, and I repeat what I said yesterday that this subject will undoubtedly be under discussion. May I also point out that these suggestions of the hon. member can be discussed during the debate which will take place on Monday.

Mr. Lundrigan: I would ask the minister if in fact we can conclude from his statement that the amendments to the unemployment insurance benefits, which were to be brought into effect some time later in 1971, not earlier than July, are being pushed forward so that people can qualify now, particularly the 84,000 hard-core unemployed who have been out of work for longer than six months and who cannot qualify under the old regulations?

Mr. Sharp: Mr. Speaker, I understand from the Government House Leader that he would like to bring the unemployment insurance legislation forward as soon as it is reasonably possible. We are, of course, having discussions with the provinces. I am sure the hon. member recognizes they have a very active interest in this subject, and we would want to have a plan that is generally acceptable throughout the country.

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THE CANADIAN ECONOMY

UNEMPLOYMENT IN QUEBEC—DISCUSSION WITH PROVINCIAL GOVERNMENT OF MEASURES TO REDUCE NUMBER OF UNEMPLOYED

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Acting Prime Minister. In view of the very serious statement made yesterday by the Minister of Labour of Quebec that a revolution could occur in that province if unemployment grows larger, is the government considering meeting with the government of Quebec to consider what further steps can be taken in the very near future to reduce the number who are likely to be unemployed in Quebec in the next few months?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think I ought to repeat what the Prime Minister of Quebec himself said, that violence is not going to help to improve the climate for investment in the province of Quebec. I would hope conditions there will not develop in such a way as to discourage investment, which is the key to employment in that province. We are having discussions continually with the province of Quebec on the unemployment situation, and I can assure the hon. member that no one is more concerned than the federal government about dealing with this very serious problem.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker—

Mr. Speaker: The hon. member for Joliette on a supplementary?

Mr. La Salle: Yes, Mr. Speaker. I wish to direct a question to the hon. Acting Prime Minister.

Since the premier of Quebec has formally recognized his inability to create 100,000 jobs and rejected part of the blame on the federal government, may I ask the

Acting Prime Minister whether he does intend to meet the premier of Quebec to discuss this matter?

* * *

[*English*]

NATIONAL PARKS

BANFF—GRANTING OF FRANCHISE TO IMPERIAL OIL TO BUILD FACILITIES TO SERVE TOURISTS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I change the subject. My question to the Minister of Indian Affairs and Northern Development concerns the tourist industry and the parks. Since the Department of Indian Affairs and Northern Development has spent $3 million in putting in water and sewer services for business enterprises serving about two million tourists who visit Banff and western Canada, would the minister please check into why the franchise for the building of various facilities for the tourists was given to Imperial Oil, a corporation that is 66 per cent foreign controlled, and at a spot other than the visitors' centre where the taxpayers' money has been spent to put in the facilities?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, there has been a development at Lake Louise, a beautiful spot in the Banff national park, and public tenders were called. Several companies submitted bids, but finally only those of Imperial Oil and a few other financial interests were kept. That is why the contract was awarded to them; in fact, they were the only tenderers.

[*English*]

Mr. Woolliams: Mr. Speaker, may I follow up that answer with a supplementary question. Would the minister be prepared to discuss this matter seriously with the citizens of that area and of Banff, who have served tourists for ten years, and ascertain why road and sewers were put in at a cost of $3 million at a place where there are no enterprises and why the department is now giving a franchise to a foreign corporation over and above their rights?

Mr. Speaker: Order, please. The hon. member is making a suggestion to the minister. He must assume that it will be considered.

Mr. Woolliams: Mr. Speaker, may I rephrase my question?

Mr. Speaker: Order, please. Perhaps the hon. member could rephrase his supplementary question. After that, perhaps we could go to another subject.

Mr. Woolliams: Mr. Speaker, with the greatest respect, we have only been on the present subject for a few moments. Would the minister be prepared to make a full and clear statement on this subject on motions in the

near future, as there is urgency in that it is going ahead now and the taxpayers' money is being squandered?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I think the hon. member for Calgary North should be the last person to raise this question because the National Parks Service has done more for Alberta than for any other province and if there are millions of visitors in Alberta, the credit goes to this government—

[*English*]

Mr. Speaker: Order, please.

ALBERTA—ESTABLISHMENT OF FACILITY IN DINOSAUR AREA

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, while we are on the question of parks may I ask a supplementary question related to national parks in Alberta. In view of the statement made by officials of his department on the question of timber cutting in Wood Buffalo National Park, following the matter having been raised by myself and the hon. member for Skeena, can the minister tell us whether we are any nearer to having a national park in the dinosaur area of Alberta than we were one year ago when the minister from the Alberta government told the committee that the provincial government was prepared to negotiate the transfer or exchange—

Mr. Speaker: Order, please. I would think that this question ought to be placed on the Order Paper.

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HIGHWAYS

MONTREAL AND TORONTO—DISCUSSIONS WITH PROVINCIAL AND MUNICIPAL GOVERNMENTS CONCERNING EXPRESSWAYS—STE. SCHOLASTIQUE ACCESS ROUTE

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Minister of Transport. In view of the controversies which have arisen in Montreal and Toronto over the construction of expressways, would the minister inform the House if his department is undertaking joint research with the provincial and municipal governments involved in order to bring about new solutions in the sphere of mass transit, particularly since the province of Quebec is indicating that it will use the majority of funds made available by the Minister of Finance to continue with the controversial trans-Canada link in the city of Montreal?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, that is quite a complicated question. I will do my best to answer it briefly. In the first instance, we have a section within the department which is working closely with the provinces on the question of rapid transit within the large metropolitan areas. Our primary responsibility at the moment is in general research not connected with any one specific project, such as the ones the hon. member referred to in Toronto and Montreal. In the case of Montreal, there is an added complexity or an added federal involvement in view of our participation in a route system to link Ste. Scholastique airport. Meetings on that subject have not yet taken place, certainly not at the ministerial level. For that reason I am not really in a position to say just what attitude we would adopt with regard to work that has already begun on a controversial section of this road. There may be something to report after our first meeting with the province.

Mr. Lambert (Edmonton West): A supplementary question. The reason I raise this question is that controversies have arisen. The Minister of Finance has indicated that supplementary work—

Mr. Speaker: Order, please. Will the hon. member kindly ask the supplementary. That is why he is seeking the floor.

Mr. Lambert (Edmonton West): This is a supplementary question, Mr. Speaker, and it was part of my original question which remains unanswered. In light of the funds being made available by the federal government, the province of Quebec has indicated it is going ahead with its proposals respecting the Trans-Canada highway—

Mr. Speaker: Order, please. I regret I have to interrupt the hon. member. It seems we are reaching the area of debate. It seems to me that the hon. member's supplementary goes beyond the limited terms of a question.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask the Minister of Transport a supplementary question.

In view of the fact that $68 million have been made available to Quebec to provide jobs through the construction of expressways, is the minister in a position to say if the total amount will be used to build roads in Montreal?

[*English*]

Mr. Jamieson: No, Mr. Speaker. I am speaking from memory but, as I recall, the amount that was specifically assigned to help with the construction of access routes to Ste. Scholastique airport was in the neighbourhood of $20 million. That has not yet been assigned specifically to any one route. We have simply stated that in principle this is what we are prepared to do. The discussions with the province with regard to how it is to be employed have not yet taken place.

Mr. Lambert (Edmonton West): A supplementary question. This immediately points up that the minister misunderstood or did not seize the import of my previous question. I am not talking about the $20 million and the airport roads. I am referring to the money which the Minister of Finance indicated yesterday was being made available by way of loans to the provinces. The province of Quebec has now stated that as far as its share is concerned it will be used—

Mr. Speaker: Order, please.

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AIRPORTS

REGINA—MEETINGS WITH CITY REGARDING SALE OF CITY-OWNED PROPERTY

Mr. John Burton (Regina East): I wish to direct my question to the Minister of Transport. Will the minister be holding further meetings with the city of Regina with regard to the sale of city-owned property at the Regina airport? If so, will the minister inform the House when such meetings will be held?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, yesterday in a telephone conversation with the newly elected mayor of Regina I accepted his invitation for further discussions. These will be held at a later date to be indicated by him. I informed him that I would meet with him at his convenience either in Ottawa or in Regina.

Mr. Burton: Does the government find unacceptable the land values established by the two appraisers selected by the government and the city?

Mr. Speaker: Order, please.

* * *

INDUSTRY

ACTION TO PREVENT CLOSING OF DUNLOP TIRE PLANT IN WHITBY

Mr. Norman A. Cafik (Ontario): I have a question for the Minister of Industry, Trade and Commerce. In view of the serious reports with respect to the possible closing of the Dunlop tire plant in the town of Whitby, can the minister indicate what steps, if any, his department intends to take in order to prevent such an occurrence?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I have no report to that effect, Mr. Speaker, but the hon. member was kind enough to bring this to my attention yesterday and I am having it checked now. I know though that officials of my department were recently in Whitby and received no indication of such action. It is well known that my department is trying to bring about a tire plant for Canada. Everyone agrees there is a need for rationalization in that. I was amazed to find out, for example, that 191 different types of tires make up for only six per cent of the Canadian production. This has to be rationalized.

Mr. Woolliams: You need a retread.

Mr. Pepin: We are working along the line of freedom of imports of certain types of tires against increased production of a fewer number of types.

Mr. Speaker: Order, please.

Inquiries of the Ministry

Mr. Cafik: As many people feel that the regional development loans made available by the federal government and the government of Nova Scotia to the Michelin tire plant in Nova Scotia have contributed to some of the difficulties that Canadian manufacturers are experiencing, will the minister indicate whether such loans will be made available to plants already existing in this country to assist them to be more competitive?

Mr. Pepin: I do not think anyone who is familiar with the problems of the tire companies in Canada would say they originated with the Michelin deal. These difficulties have been with us for a number of years and I do not think they can be attributed to the recent decisions of the governments of Canada and Nova Scotia.

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INDIAN AFFAIRS

ACTION TO ALLEVIATE HARDSHIP AT SOUTHEND

Mr. S. J. Korchinski (Mackenzie): My question is directed to the Minister of Indian Affairs and Northern Development. Has action been taken on reports from the Indian settlement at Southend where people are existing on meagre means because of low fur returns, the unavailability of game and the difficulty in catching fish because of slush on the ice?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have inquired about the matter and I am pleased to advise the House that we have granted supplementary assistance to the persons concerned owing to their difficult position. We have obtained from the Saskatchewan government the authorization for Indians to kill elk and moose. My department has provided the Indians with the necessary means of transport to carry that meat to the village. It now seems that the situation has again become normal.

* * *

[*English*]

NATIONAL PARKS

BONNE BAY—DECISION ON BOUNDARIES, COMMENCEMENT OF SURVEY WORK

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question, too, is directed to the Minister of Indian Affairs and Northern Development. Can the minister advise us whether a definite decision has yet been reached as to the boundaries of the Bonne Bay park in western Newfoundland and, if so, when will survey work be started having regard to the unemployment crisis we are facing?

Mr. Speaker: Order. I suggest to the hon. member that a question of this nature should normally be put in writing. If there is urgency, the minister might like to

reply, but I have suggested on earlier occasions that questions of this nature are normally placed on the Order Paper.

Mr. Marshall: Mr. Speaker, 32 questions in my name have now been on the Order Paper for some months and have not been answered. I have to try to get answers somewhere.

Some hon. Members: Hear, hear!

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INDIAN AFFAIRS

FINANCIAL ASSISTANCE TO WEST COAST NATIVE FISHERMEN—REQUEST THAT MINISTER ATTEND MEETING

Mr. Frank Howard (Skeena): I wish to direct my question to the Minister of Indian Affairs and Northern Development. Incidentally, I congratulate him on attaining a batting average of 33 per cent in his required roster appearances this week. I asked his colleague, the Minister of Fisheries and Forestry, the other day a question with respect to the situation of at least 100 native Indian fishermen who will be put out of work. The Minister of Fisheries told us there was a finance plan available under the Indian Fishermen's Assistance Board. Now that the minister is here, can he explain what this program is and tell us when it will come into effect?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): First, I should like to congratulate the hon. member on his candidacy; it is too bad he will not get 33 per cent of the votes, but I wish him the best of luck. As far as Indian fishermen in British Columbia are concerned, I am well aware of the situation to which he refers. I know that some fishing companies are cutting down their fleets. We have some funds available. I have sent some of my officials to the area; we shall try to assess the situation and adjust our financial program so as to assist as many Indians as possible to stay in business as good fishermen.

Mr. Howard (Skeena): Might I say that my objective is not 33 per cent; it is much higher than that. Inasmuch as the Minister of Fisheries has refused an invitation to attend a meeting called by the North Coast District Council in Prince Rupert, for the 25th of this month to deal with this matter, will the Minister of Indian Affairs and Northern Development be prepared to attend that meeting and speak to the people personally?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I do not believe I have received an invitation to go there and I am afraid I could not accept such an invitation at this time. However, I have on several occasions met here in Ottawa the leaders of the Indian Association concerned with fishermen and I will always be pleased to see them. If I had any occasion to travel to British Columbia—

[*English*]

TRANSPORT

TRENT AND RIDEAU CANALS—DEPARTMENT RESPONSIBLE THEREFOR

Mr. W. C. Scott (Victoria-Haliburton): My question can be answered by either the Minister of Transport or the Minister of Indian Affairs and Northern Development. It deals with the Trent and Rideau canal systems in Ontario. Under whose jurisdiction do canals fall at the present time, as they seem to be in a state of limbo?

Mr. Speaker: Order. I would think the hon. member's question should be placed on the Order Paper.

Mr. Scott: Mr. Speaker, this is a serious question, since the navigation season—

Mr. Speaker: Order. The hon. member is suggesting that questions placed on the Order Paper are not serious questions. Even if it is serious, this is the type of question which should be placed on the Order Paper. If there is urgency, as there may very well be, the hon. member can give me notice of his intention to raise the matter at the time of the adjournment and it will be given precedence.

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

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MANPOWER

PLANS FOR PROVISION OF SUMMER EMPLOYMENT FOR STUDENTS

Mr. W. B. Nesbitt (Oxford): My question is for the Acting Prime Minister, Mr. Speaker. It relates to student employment during the coming summer months. I know this subject has been alluded to several times this week but in view of the representations all hon. members are receiving I should like to ask the hon. gentleman whether, some time during the next week or two, he will give an outline to the House of Commons of the general type of plan the government has in mind for student employment. I realize that some of these plans take a long time to work out—

Mr. Speaker: Order. The hon. member has asked his question and perhaps the Acting Prime Minister might be given an opportunity to reply.

Hon. Mitchell Sharp (Acting Prime Minister): The Minister of Manpower did make reference to plans that are under discussion. These will be brought before cabinet shortly. I do not know whether it will be possible to give an answer within the next week or so but certainly the matter is under active consideration.

Mr. Nesbitt: A supplementary question—

Mr. Speaker: Order. I will allow a supplementary but if hon. members will look around the House they will see

there are perhaps 50 or 60 members who are seeking to ask questions. There are only a few minutes left and obviously all of them cannot expect to have their questions answered during this 40-minute period.

Mr. Nesbitt: A brief supplementary. Since the Secretary of State, the Minister of Manpower and Immigration and the Minister of Labour, together with other ministers, have already expressed views on this subject, would the Acting Prime Minister give priority to this problem as many students are very concerned about the future?

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TRANSPORT

PROPOSED MEETING ON FORMATION OF ONTARIO PASSENGER TRAIN NETWORK

Mr. Rud L. Whiting (Halton): I have a question for the Minister of Transport. According to press reports the Ontario Minister of Transport has proposed a meeting between officials of his department, the federal transport ministry, and executives of the railway companies operating in the province to discuss the formation of a network of passenger trains for Ontario. Did the minister receive an invitation to this meeting and, if so, will he or senior officials of his department attend, and will he use his good offices to urge the CNR to participate with an open mind?

Some hon. Members: Oh, oh!

Mr. Speaker: The hon. member's question is in the form of a submission to the minister. He has to assume it will be taken into account.

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NATIONAL PARKS

WOOD BUFFALO—REQUEST FOR STATEMENT ON CUTTING OF TIMBER

Mr. G. W. Baldwin (Peace River): I have a question for the Minister of Indian Affairs and Northern Development. In light of the fact that the National Parks Act prohibits the cutting of timber in a park save for dead and diseased timber for the protection of the forests in the park itself, has the minister taken note of the situation in Wood Buffalo Park and will he make a statement to this House shortly, when he gets the information, as to the number of timber licences which have been granted for operations there, the quantity of timber to be removed, and the extent to which the forest has already been stripped of timber as a result of the cutting which has gone on?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): It is true, Mr. Speaker, that timber is being cut in Wood Buffalo park. That is only in a very small portion of the park, and these operations provide work for approximately 100 Indians from this area. Nevertheless, we are presently negotiating with the government of Alberta to establish new limits, as far as Wood Buffalo park is concerned, which would enable us to obtain in exchange the areas where dinosaurs are still to be found, in Alberta.

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[*English*]

REGIONAL ECONOMIC EXPANSION

ARGENTIA, NFLD.—IMPLEMENTATION OF CRASH PROGRAM

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I should like to direct a question to the Minister of Transport, and I might say it is prompted by my deep concern for the hon. minister's image in my riding. Would he undertake to speak to his colleague, the Minister of Regional Economic Expansion, to have the promise made by the Minister of Transport on July 6 last summer to the people of the Argentia area respecting the $2 million crash program implemented because at the present time not even a quarter of that amount has been spent there?

Mr. Speaker: Order, please. I understand the hon. member for St. John's West is rising on a point of order.

Mr. Carter: This is a very important matter, Mr. Speaker, to the 30 per cent unemployed in that area, because last summer a crash program was announced but it has not been carried through. My question to the minister is, will he talk to his colleague to have this program implemented?

Mr. Speaker: Order, please. The question was heard by the Chair and I feel it was in the form of a suggestion or a submission to the minister. The hon. member has to assume that it has been noted and will be taken into account.

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TRADE

DEVELOPMENT OF U.S. MARKETS FOR ATLANTIC PROVINCES' PRODUCTS

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In light of the great speech of the Prime Minister in Saint John, New Brunswick, before Christmas about the glowing prospects for trade with United States, and particularly the relationship of the Atlantic provinces thereto, can he now indicate what the plans of his department are for the new year, such as increased staff or trade missions and the like, which will bring this about?

Mr. Speaker: Order, please. I suggest to the hon. member that unless the minister is prepared to reply very briefly—

An hon. Member: He never is.

Mr. Speaker: The question is one that normally should be placed on the Order Paper, or the hon. member might ask the minister whether he proposes to make a statement.

Mr. Bell: Mr. Speaker, I am prepared to take a chance if the House agrees. I sent him notice of this question and hoped this would give him time to gather his thoughts about the great work they are doing in this regard.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I think I can be very brief on that subject. Very recently I wrote a colleague of the hon. member giving him an indication of the activity of my department in the Maritimes in terms of industrial research and development and trade promotion.

Mr. Bell: Mr. Speaker, would the minister make that letter public so that the people of the Maritimes can know a little bit about this? They are greatly concerned that the minister is not doing anything.

Mr. Speaker: Order, please.

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EXTERNAL AFFAIRS

GUINEA—SECURITY COUNCIL CONDEMNATION OF INVASION BY PORTUGUESE FORCES—GOVERNMENT ACTION

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is directed to the Acting Prime Minister. I asked him a few days ago about the Security Council's resolution condemning the Portuguese forces' invasion of Guinea. He said it was an important question and he would look into it. I wonder whether he is now in a position to answer?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I can answer this reasonably briefly. It may be, however, that you would wish the question to be put on the Order Paper for answer in writing.

An hon. Member: You are on your own, there is no help there.

Mr. Sharp: Mr. Speaker, the Canadian government's opposition to the maintenance of Portuguese colonialism in Africa has been firmly declared and abundantly demonstrated. It has been reflected in our support for United Nations resolutions calling on Portugal to grant those territories self-determination. It was specifically enunciated in the government's paper on foreign policy.

Moreover, and this relates directly to a major clause of the December 8 Security Council resolution, Canada maintains a complete embargo on the sales of military equipment to the Portuguese territories, and we have long since ceased providing military assistance to Portugal under NATO mutual aid.

The resolution also asks Portugal's allies to influence the government of Portugal to comply with its terms. The government of Portugal is in no doubt about the Canadian government's views on Portuguese policies in Africa.

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TRADE

FEASIBILITY OF FREE TRADE BETWEEN ATLANTIC PROVINCES AND NEW ENGLAND STATES

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce. I attempted to ask it in the form of a supplementary to the question posed by the hon. member for St. John's West. Have studies been undertaken by his department in respect of the feasibility of free trade between the Atlantic provinces and the New England states in certain commodities, using the automobile pact as a model?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, this sort of preoccupation is constant in my department.

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

ACTION TO DEAL WITH TRAFFICKING IN JAPAN IN CANADIAN IMPORT QUOTAS

Mr. Robert P. Kaplan (Don Valley): Thank you, Mr. Speaker, you have given me a substitute for the 5BX plan today. I have a question for the Minister of Industry, Trade and Commerce. What steps does the government propose to take to deal with the rapidly increasing amount of trafficking in Canadian import quotas which is taking place in Japan and other low cost exporting countries, creating a new class of millionaire Asian speculators at the expense of Canadian consumers?

Mr. Speaker: Order, please. I regretfully have to advise the hon. member, in spite of all the exercise he had completed prior to his asking the question, that his question is phrased in such a way that it would normally invite a statement that should be made on motions. Unless the hon. member is prepared to rephrase his question, I suggest it is not acceptable.

Mr. Kaplan: Mr. Speaker, in that case I ask the minister whether the government has taken any steps to deal with this situation?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the existence of quotas in Japan is well known. When I became the minister there were 120. They cut off 20 about a year ago. Last week the Ambassador of Japan wrote me that they were cutting off 10 more, including the quota on whiskey, about which we are pleased. The administration of quotas in Japan is not really my preoccupation. I assume it to be the exclusive responsibility of the Japanese government. However, as an exercise in academic intelligence I will look into the problem and report fully to my hon. friend.

LABOUR CONDITIONS

LAY-OFFS BY GENERAL INSTRUMENTS CORPORATION, SYDNEY, N.S.—GOVERNMENT ACTION

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of the vast work that is being done by his department in the Atlantic provinces and the expertise that is allegedly being shown by his staff, and in view of the fact that another 200 employees have been laid off by General Instruments Corporation of Sydney, manufacturers of electronic components, what is he prepared to do in respect of the provision of his officers to this corporation and to the workers who have been laid off to assist them in getting back to work?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I am sorry to say, Mr. Speaker, that I am not familiar with that particular case. I presume that the services of different departments of the federal government have already been offered or used, but I will look into this immediately.

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PUBLIC WORKS

NORTHUMBERLAND CAUSEWAY—RECONSIDERATION OF DECISION NOT TO PROCEED

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question is for the diligent and conscientious Minister of Public Works. In light of his recent statement exalting the virtues of a permanent Northumberland causeway, can he advise whether he and his colleagues are now reconsidering the government's decision to repudiate its commitment to go ahead with that important project?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I have some knowledge of an initiative being taken by the province of Prince Edward Island. I have indicated to my people that I would like them to find out for me what success Prince Edward Island is having in encouraging private enterprise in that area. We would like to know what they have in mind. It is our intention to enter into discussion with the province as soon as possible.

Mr. Macquarrie: Mr. Speaker, I might ask the minister whether he does not consider that the resources of the government of Canada are a little more ample than those of Prince Edward Island?

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POLLUTION

SPRINGHILL, N.S.—INVESTIGATION OF SLAG DUMP FIRE

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Is he in a position to answer a question I posed earlier this week regarding the slag dump fire at Springhill?

Inquiries of the Ministry

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member asked a question about the Springhill slag dump fire. I had an inquiry made into the matter and I find that the inquiry by the officials of my department is not yet complete. It is the intention at the present time that this is not to be a public inquiry and that the results of the inquiry will not be made a public document but will be made known to the Nova Scotia government.

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HEALTH

INQUIRY AS TO INTRODUCTION OF LEGISLATION RESPECTING CIGARETTE ADVERTISING

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question I want to ask the Government House Leader, having in mind the statement made a few days ago by his colleague, the Minister of National Health and Welfare, to the effect that consideration is being given to the introduction of legislation in the field of cigarette advertising and disease. Will such legislation be placed before us prior to the Easter recess?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I cannot give a definite assurance that such legislation will be before the House before Easter. It will depend on the progress made on present legislation and the priorities that have been established.

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YOUNG OFFENDERS ACT

SUGGESTED WITHDRAWAL OF LEGISLATION

Mr. John Gilbert (Broadview): Mr. Speaker, I wish to direct a question to the Government House Leader. In view of his contribution before the recess in which he exercised good judgment and also protected the President of the Treasury Board by withdrawing the legislation concerning the Auditor General, I wonder whether he would exercise the same good judgment and protect the young Solicitor General by withdrawing the Young Offenders Bill?

* * *

NATIONAL DEFENCE

REPORT ON ROLE OF FORCES IN CIVIL RIOTS AND EMERGENCIES

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Minister of National Defence. Is a formal report being commissioned by the government on the use of the army and its role in civil riots and emergencies such as the emergency that occurred recently so as to have an assessment of its use in the future in similar situations?

Inquiries of the Ministry

Hon. Donald S. Macdonald (Minister of National Defence): Not exactly a formal report, Mr. Speaker. As I mentioned in the House several times, there has been an evaluation by mobile command and air transport command of their participation in the recent emergency. I would expect that the results might be included in discussions of the aid to the civil power aspect of the defence white paper.

* * *

AIR TRANSPORT

CHARTER SERVICES—REGULATIONS TO PREVENT CARRIERS DEFAULTING ON FLIGHT UNDERTAKINGS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I should like to direct my question to the affable and somewhat overworked Minister of Transport. In view of the concern expressed over irregularities in the use by some airlines of enormous amounts of funds received from air charter flight groups, is the minister planning any regulations that would prevent a carrier defaulting before the trip or failing to show up to bring back passengers from a charter flight?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the whole issue of air charters and the regulation of them is now under active consideration both within Canada and internationally. I might add as an aside that we are also engaged in bilateral negotiations with the United States on the question of protection of passengers. A few days ago I indicated in the House that we do have regulations under the Canadian Transport Commission requiring that protection be provided but these at the present time are the cause and source of some difficulties which were referred to in the House a few days ago.

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PUBLIC WORKS

NORTHUMBERLAND CAUSEWAY—REQUESTS BY PRINCE EDWARD ISLAND AND NEW BRUNSWICK FOR ASSISTANCE

Mr. David MacDonald (Egmont): Mr. Speaker, my question is really supplementary to a question asked a moment ago by the hon. member for Hillsborough. It will be directed to the Acting Prime Minister. In view of the increased interest by the provinces of New Brunswick and Prince Edward Island in the construction of the Northumberland Causeway, has either of these governments requested from the federal government assistance in the planning stage or possible financial assistance?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am not personally aware of this but will make inquiries.

[Mr. Ritchie.]

NORTHERN AFFAIRS

KING CHRISTIAN ISLAND—REQUEST FOR STATEMENT ON GAS WELL BLOWOUT

Mr. Randolph Harding (Kootenay West): Mr. Speaker, last Wednesday I directed a question to the Department of Indian Affairs and Northern Development. I should like to pose it now to the minister. Would he make a statement on motions on the natural gas blowout on King Christian Island which has now meant a loss of over four billion cubic feet of natural gas and is having a serious ecological effect on Canada's northland?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I can advise the House immediately.

They have not yet succeeded in putting out the fire involved. It is hoped, I have been told, that the digging of the supplementary well undertaken in order to put out the fire will be completed shortly, and that the first efforts aimed at the definite control of the fire may be undertaken next week.

* * *

[*English*]

POST OFFICE

SPECIAL BOXES FOR FIRST CLASS MAIL—FIVE-DAY DELIVERY

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Minister without Portfolio responsible for the Post Office. Will the new program in respect of special mail boxes for first class mail guarantee delivery the next day of all early afternoon mailings, and how will this square with five days a week delivery?

[*Translation*]

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, I would appreciate it if I were not led to deliver today the whole speech I have to make in Toronto on Monday.

• (12:00 noon)

GOVERNMENT ORDERS

[*English*]

CROP INSURANCE ACT

AMENDMENT TO INCREASE EXTENDED COVERAGE

Hon. Allan J. MacEachen (for the Minister of Agriculture) moved that Bill C-185, to amend the Crop Insurance Act, be read the second time and referred to the Standing Committee on Agriculture.

[*Translation*]

Mr. Marcel Lessard (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, before we start detailed consideration of Bill C-185 and the amendments it is to make to the Crop Insurance Act, I feel it would be useful to briefly summarize the background of that act, emphasizing its objectives and its achievements to date.

The original Crop Insurance Act, enacted in 1959, provided for government financial assistance to provincial crop insurance programs, provided they met certain standards.

Initially, the criteria were that guaranteed protection remained below 60 per cent of the average long-term production for the crop insured, in the particular region, with total premiums adequate to justify the program from the actuarial point of view. In the case of programs conforming to such criteria, the federal government paid 50 per cent of the costs to the province of the administration of the premiums, plus an amount equal to 20 per cent of paid premiums. The act also enabled the federal government to make loans to the provinces for those years when benefits greatly exceeded premiums and reserves. A deduction of $200,000 was provided in this instance.

In 1964, the act was amended in order to enable the federal government to re-insure provincial plans, in addition to the loans to which I have just referred. In this connection, the province pays a premium to the federal government and, in return, the latter assumes 75 per cent of the losses incurred by the province.

Again, the act was amended in 1966. This time the purpose was to extend its application in order to insure perennial plants and fruit trees, and also summer-fallowed land which could not be seeded because of climatic conditions. But even more important probably was the better protection that provinces may provide, since it was increased from 60 per cent, as it was in the beginning, to 80 per cent, as well as the 5 per cent increase of the federal contribution, which was raised from 20 to 25 per cent of total premiums paid.

So, the act guarantees presently to the provinces offering a crop insurance program deemed sound by actuaries, and covering losses up to 80 per cent or less, federal assistance amounting to 50 per cent of the administration costs, plus a contribution equal to 25 per cent of total premiums paid. The expenditures of the Department of Agriculture for crop insurance now amount to five million dollars yearly. Estimates show that this figure will increase to approximately seven and a half million dollars within the next three years.

[*English*]

Let me turn for a moment to the current status of the program. How have the farmers of Canada received this program? How has it worked? At the present time, eight of the ten provinces have active programs covering crops such as potatoes, wheat, oats, barley, mixed grains, grain corn, forage, silage, tobacco, soya beans, white beans, flax, rapeseed, yellow mustard seed, sugar beets, apples, peaches, pears, apricots, prunes, plums, cherries, grapes, strawberries, raspberries, cranberries, logan berries, blue berries, strawberry plants, grape vines and fruit trees.

With the exception of last year when coverage was aected by the Lift program, the total numbers of farmers involved in the program across Canada and the amount of coverage provided has increased significantly each year. In 1968-69 some 64,376 farmers purchased crop insurance coverage totalling just under $175 million.

Mr. Speaker: Order, please. I do not like to interrupt the hon. member, but I must bring to the attention of hon. members who are obviously having interesting conversations that it is difficult for some of us to follow the Parliamentary Secretary's speech.

Mr. Lessard (Lac-Saint-Jean): Premiums paid that year amounted to over $13 million, and indemnities paid out were in excess of $15 million. The actuarial soundness of the program to date is probably best demonstrated by the fact that from the time the program commenced up until the end of last year, the loss ratio was .97; that is, for every dollar that was paid into the program, whether by farmers, by the federal government or in some cases by provincial governments, 97 cents was paid out to farmers in indemnities.

During the current year the program within the province of Prince Edward Island was used by 216 farmers who took out $602,000 coverage. In Nova Scotia some 340 farmers took out just over $800,000 coverage. In Quebec, 12,000 farmers took out $29 million coverage. In Ontario the figures were approximately 4,200 farmers with a coverage of just over $9 million. In Manitoba, which was the first province to introduce the program, some 14,200 farmers had $27 million worth of coverage. In Saskatchewan, 9,000 farmers had $16 million coverage. In Alberta, just under 13,000 farmers had $32 million coverage, and in British Columbia, 810 farmers had just under $8 million coverage. Since this program has been started, indemnities paid to farmers have totalled $47 million.

[*Translation*]

Mr. Speaker, in enacting this legislation, the federal government recognizes the importance of social and economic benefits deriving from farm income stability. Although it deals with only one aspect of farm revenues, it is likely the one that causes the most inequities between the operations and the damages in particular cases, namely heavy crop losses caused by meteorological conditions and other unfavourable circumstances such as, for example, damages caused by insects, wild animals or birds. Income stability is an economic advantage not only for the farmer himself but also for all those who deal with him and for his fellow-citizens. Even if farm research and progressive technology have largely contributed to the solution of problems occasioned by diseases and other factors that have a bearing on yields, inevitable and unforeseen disasters will continue to hit farm revenues with the same frequency as in the past. Therefore, an all-encompassing insurance program, easy to apply, is of increasing importance for the farmer

because he is more and more dependent upon it in respect of the costs involved in purchasing the items needed for implementation of his production program.

[*English*]

The purpose of this bill is to amend the Crop Insurance Act to provide for contributions to insurance programs which will cover losses of preplanting costs. On occasion, due to wet weather or other similar conditions, farmers are unable to plant a crop which they intended to plant and in which they have already made investments, such as preparation of the land, the purchase of plants, and the application of fertilizer. As the crop insurance program is expanded to a greater variety of crops, this type of problem becomes more important. Such losses could include investments made both in the previous fall as well as prior to seeding in the spring.

Both Ontario and Manitoba have indicated that they would like to be able to offer insurance against this type of loss.

[*Translation*]

In the past, the losses mentioned previously were covered to some extent, for instance, in the case of fallows which remained unsown because of excessive rain. These special provisions with respect to fallows will be extended and integrated into the new sections of the act.

There naturally will be conditions to be met by the insured who will undertake to sign a permanent and valid insurance contract since the hazards to be covered are liable to occur beyond the growing period.

This provision is seen as a new step of ever increasing importance with regard to the protection of the capital invested by the farmer for crop purposes.

[*English*]

Mr. H. W. Danforth (Kent-Essex): At the outset, I should like very much indeed to compliment the Parliamentary Secretary to Minister of Agriculture (Mr. Lessard), on his presentation this morning and the manner in which the detail of this legislation was given to us. I wish to compliment him because it is a tremendous responsibility that has been delegated to him by his minister. However, I feel that it is unfortunate indeed, on a measure of this importance dealing with the entire agricultural industry, that the minister himself was not able to be present in the House.

Crop insurance is becoming ever more serious and of ever greater interest to the farmers across this nation. Experiences in the past have proven that the reimbursement for the drastic losses suffered by farmers every year in various regions cannot be obtained through representation directly to their municipal, provincial or federal governments. In my own particular area in southwestern Ontario, we suffered a very severe hardship as a result of weather over a year ago. Although representatives of the various governments visited the area and saw at first hand the tremendous losses of crops and money suffered by the farmers in the area, some of whom have not yet recovered and will take years to recover, and although at that time assurances were given that financial aid would be immediately sent to reimburse them, farmers have learned from bitter experience that when it comes to receiving cash for their losses it is almost impossible to obtain it by grants or loans. So, they are turning ever more to the sound business practice of insuring their crops in order to have a legal claim when they have suffered grievously in circumstances over which they have no control.

I am very delighted indeed to see that the government is proposing this amendment in Bill C-185 to the Crop Insurance Act because I think that had this particular provision been in it at the time, the farmers in our area and others who suffered grievous losses could have recouped at least their initial expenditures on the crops that were destroyed. This is what the government should be trying to do. It should make it possible for farmers, when such conditions arise, to recover their losses, and not be placed in a precarious economic position. However, there are some difficulties with legislation such as we have before us.

• (12:10 p.m.)

One of the difficulties is that it is a joint effort between provincial and federal administrations. We have different applications of the measure in each of the provinces. It is at the prerogative of the provinces whether they wish to participate in it or not. There is joint responsibility with the federal government. In such matters, it is always difficult to act immediately to change apparent weaknesses.

Another thing which complicates a measure such as this is the fact that Canada is made up of a series of regions whose crops and crop conditions vary greatly from coast to coast. Thus, it is difficult to get an all-encompassing piece of legislation which will provide insurance with respect to all the agricultural commodities involved. This is the reason there has been some delay in changing the act, and why there has been a rather go slow attitude in trying to bring other crops under the umbrella of protection that is provided.

We have specialized crops in my particular area of Ontario. The same is true in British Columbia, in the prairies, in the Maritimes and also in Quebec. There are local areas specializing in certain agribusiness, and means will have to be found to provide insurance for their crops. Even if such crops are now covered the producers find that the premiums they must pay are so high that it is almost impossible for them to take advantage of the legislation.

We should look at the measure in the light of the in-put expenses now faced by farmers, expenses which are ever increasing, and which are at a level never contemplated years ago. If many farmers ten years ago had any idea of the actual in-put costs with which they would be faced in the 1970's, they would have gone out of the agricultural business, retrieved as much of their capital as possible, and put it into investments that would give them a greater return on their money. The fact that only 64,000 farmers out of approximately 400,000 to 500,000 have taken advantage of crop insurance gives some idea of the magnitude of the problem, and of the necessity of making the legislation more encompassing.

There is another aspect to which more attention should be given. As was so ably explained by the Parliamentary Secretary, the basic principle of crop insurance is to return to farmers at least 65 per cent of their normal expected earnings in cases where disaster strikes. This is confined strictly to weather conditions, or things legally termed acts of God. However, there is another large field which must be examined. In my area during the last few years we have experienced situations where a crop was produced by a farmer in good faith, delivered to a food processor, and due to business malpractice on the part of the processor, or to bankruptcy, the farmer not only lost the value of the crop but all the expenses he had incurred in planting and harvesting it. Here, Mr. Speaker, I am not speaking of small amounts of money. Thousands of dollars were involved in the case of some farmers.

Farmers, farm organizations and parliamentary representatives have been very much aware of the serious nature of this problem. Many attempts have been made to see if something could be done about it. A prime example was the private bill introduced by our colleague from Essex, I believe in 1963, the purpose of which was to place the farmer in a preferred position whenever a canner or food processor became bankrupt. That was a good attempt to protect the primary producer. Although the bill's intent was sound, unfortunately it did not protect the farmer and it seems it could not protect him under certain circumstances. Now, we find once again that the farmer must seek legal redress, with little hope of reclaiming the grievous losses he has suffered.

I suggest that the government should give serious consideration to the possibility of extending crop insurance to cover losses suffered by farmers in such circumstances. Inasmuch as the Parliamentary Secretary has pointed out that the actual loss suffered by the government to date in the funding of crop insurance has been minimal, I suggest here is an opportunity for us to provide, through legislation, a more complete crop insurance service to farmers. What I am suggesting may be complicated, and there may be valid reasons why it cannot be put into operation at this time, but I do encourage hon. members, and especially those who support the government, to see when the bill goes to committee if it is feasible to propose yet another amendment making it possible for farmers to obtain redress when their crops are lost in this fashion.

There are other circumstances under which farmers can lose. Here, I am not dealing with mismanagement or malpractice, but with conditions over which they have no control, weather conditions and the actions of other sections of agribusiness which cause grievous loss. What I am suggesting is not out of line, because very definite steps have been taken by various governments to protect the agribusiness in this fashion. I am speaking now of bills that have been passed by the House to protect primary producers when there is loss of crop through government seizure because of the presence of residue chemicals which make the crop unfit for human consumption.

• (12:20 p.m.)

Another prime example is that of reimbursement by the government in cases where animals are destroyed as a result of contagious diseases. So, we have taken steps in this direction, and I propose that we continue taking them, because farmers today are faced with the necessity of making tremendous investments, not to expand their businesses necessarily, but just to keep them operating. Having read the history of farming in this great land, I have learned that, not too long ago, farmers paid for their implements and residences less than farmers of today pay in interest on their chemicals and seed. That shows how necessary it is to make available large sums of money for crop protection. Like others engaged in industry, farmers, if they so desire, may now obtain insurance protection which will compensate them against loss. Certainly, anyone engaged in the industry of agriculture is as much entitled to this protection as others who wish to protect their business investment.

So, I support wholeheartedly this measure as well as the amendment brought in by the government. If I have any criticism at all, it is that we are not moving fast enough in this direction. During the committee stage discussions, we ought to consider other means, which are similar to this measure, of helping farmers directly. I appreciate the opportunity I have had this morning of discussing briefly some of the ramifications of the bill. My colleagues will deal with it in more detail. May I take this opportunity of congratulating the Parliamentary Secretary and the minister upon this measure.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in speaking to this measure may I say that I think the government is quite right in proposing the extensions in coverage proposed in this bill. I regret that the Minister of Agriculture (Mr. Olson) is not in the House to pilot the bill through and hear what is said. It is an important measure. I mean no disrespect to the Parliamentary Secretary to the Minister of Agriculture (Mr. Lessard) who, as we all know from our experience in the standing committee, is a most competent and able man. I hope that the minister's absence does not in any way indicate the importance the minister may attach to crop insurance.

The particular changes with regard to the flooding of land are important for many areas of Canada. They are important for western Canada and, in particular, for Saskatchewan. Normally, Saskatchewan is considered a dry province; yet there have been years when significant areas of a farmer's land were under water, and stayed under water until it was too late for him to plant a crop. None the less, even in those cases, the farmer has had to cultivate that land when it has dried. He has had to control the weeds. In short, quite apart from the expense of seed and fertilizer, he has been saddled with the total expense of managing that land, because his capital costs continue, as do his cultivation costs. Indeed, in those cases they might be greater.

I must say that the part of the bill referring to the further protection of those engaged in fruit growing is

outside my scope. I hope that some of my colleagues who are closer to that kind of operation will comment on it. there is one thing that I should like to take the opportunity of saying about this bill and about the program now being considered by the House. This program will lack effectiveness in a major part of the wheat growing area of Saskatchewan and, indeed, throughout the prairie region. The figures published in the annual report of the Minister for the fiscal year 1968-69 under the Crop Insurance Act show this very clearly. I am surprised that the government has not given more consideration to improving the act, so that it might provide more effective coverage.

According to the report, the number of farmers covered in the relevant period in Saskatchewan was 12,343. Although I do not have exact figures, I think that that number represents about one sixth of the number of operating farmers in that province. We must surely ask ourselves, as must the government, why it is that a crop insurance program which has been in force as long as this one is only serving that small number of farmers in that province of western Canada which contains the largest agricultural area west of the Great Lakes. If the government does not know, then, perhaps in a general way, I can tell them. One of the major reasons stems from the basis on which crop yields are established. The basis on which a farmer must take out crop insurance is the basis of his previous yields. In going back over the period of previous yields, the yield average that is established is so low that it is of no advantage to the farmer to insure with respect to that level of yield. In other words, the program establishes a level of yield on which the insurance shall be based that is so low as to be tantamount to or very close to the yield in a crop failure. That is the real reason crop insurance has not been as effective as it might have been in the prairie regions, and in Saskatchewan in particular.

I have attended meetings held under the auspices of municipalities at which farmers examined very carefully this whole program on an actuarial basis and decided that they could not avail themselves of the program. Indeed, most of west central Saskatchewan is excluded from the plan. The provincial government has not brought a great deal of west central Saskatchewan into this program; neither has it taken steps to bringing that area. I do not particularly lay the blame at the door of the province alone; I lay it at the door of the provincial and federal governments, those who are administering the plan and those whose responsibility it is to make the plan an effective instrument for the farmers of western Canada and, indeed, of all Canada.

Again, if you look at the figures, you will see a large and continuing increase in coverage in some areas, but not in other areas. We must ask ourselves why that is so. We must assume that farmers in one area are as anxious to obtain crop insurance protection as farmers of another area. I therefore urge the minister, and I am saying this to his Parliamentary Secretary in his absence, to take the necessary steps to undertake an investigation in order that this may become an effective insurance program benefiting the majority of farmers.

[Mr. Gleave.]

• (12:30 p.m.)

I wish to now deal with the proposals of the task force on agriculture. Hopefully, the government will not accept these proposals. However, they deserve comment. In part, they provide some guidance. The task force recommends that an independent body be appointed by the National Agriculture Advisory Council, which does not as yet exist, to evaluate the actuarial structure of the crop insurance program in Canada and to make the results of such an evaluation known annually at the proposed national conference outlined elsewhere in this report.

I do not know whether there is a need for an annual review. Perhaps there is. The task force thought there was a need. There is certainly need for a review of this program by competent people. The majority of these people should be from farm organizations and provincial bodies. They should assess the total program as it is affecting farmers. The task force recommended:

> In 1975 a Federal-provincial committee should appoint an independent body to make a comprehensive evaluation of the effectiveness and efficiency of the crop insurance program and, in particular, to recommend on whether or not the current subsidy should be continued.

Apparently the task force was as concerned about the subsidy as anything else. It is significant that two of the recommendations of the task force placed emphasis on an evaluation of this program to determine how well it was working. I will not go into the body of the report because there is not time. However, this should indicate to the government that this program should be carefully evaluated. The task force also recommended:

> The immediate discontinuance of the PFAA program.

I do not think that the PFAA program should be discontinued until there is an effective replacement. We should not seriously consider discontinuing the PFAA program because the crop insurance program is not an effective instrument to replace it. It is not workable in much of the area where crop insurance is required.

In Saskatchewan, crop insurance is used in the area with the highest yields and the best crop production record. It is not used in areas where the greatest crop variations occur from year to year. I do not believe it would be possible to discontinue the PFAA program at this time. I quote another recommendation of the task force:

> The equivalent of the annual subsidy paid to the PFAA program by the Federal Government should be allocated to the financing of the Prairie Grain Price Stabilization Program.

In this recommendation, I feel that the task force is confusing apples with oranges. The PFAA program is a very rough and ready crop insurance program. The wheat stabilization program, as outlined by the minister responsible for the wheat board, is an income stabilization program, not a crop insurance program. Similarly, a crop insurance program is not a full income stabilization program. I mention this because these recommendations were made by the task force. I hope the government will ignore this particular recommendation. The PFAA pro-

gram should not be discontinued until we have an adequate crop insurance program. The government has no right to use that levy for any other purpose.

It has already been mentioned that those responsible for the crop insurance program should investigate the input costs and increased costs of production. When this program was introduced there was a much lower level of fertilizers, chemicals and other aids being used by farmers. This has caused increased costs and increased yields. If a crop insurance program is to be effective, it must take into account the rapidly changing technology in agriculture. If the costs and yields are affected, then the basis for a crop insurance program is affected. The program is based on yield return. In order to estimate the pay-out, we must consider the farmers cost of production. If this is to be an effective instrument in disaster areas, we must pay out enough money to cover the cost of production so that the farmer can carry on the next year. Surely, that is the purpose of the program. However, this aspect is not being given consideration.

Instead of considering the average yield for the past 10 years, we would get a better picture if we considered the actual yields in west central and central Saskatchewan. I suggest that those responsible should examine the studies made by Mr. Craddock recently with regard to cereal production in western Canada. I was surprised to read his conclusions with regard to yields compared with what we assumed were the yields in that area. This is fundamental to a crop insurance program.

These are the main points I wanted to make, Mr. Speaker. I repeat that the proposal to make the PFAA program part of the income stabilization program should be avoided. The income stabilization program, as outlined, has some serious shortcomings. I will not deal with the matter at great length because there will probably be an opportunity to do so in the future. My main reason for speaking was the task force report. Since the government is apparently implementing some major parts of the recommendations of the task force, I wish to issue a warning with regard to proposals of this report as they affect crop insurance. The problems that would occur with the stabilization program should not bring into disrepute the practice of a deduction opportunity in certain areas in order to facilitate a crop insurance program. Indeed, I have wondered why those who administer this program have not tried to integrate it with PFAA deductions and the acreage insurance program. Perhaps this has not been done because it is not possible, actuarially, to do so. I have no way of knowing. But I have wondered why no attempt has been made, particularly in grain-growing regions, to work these two programs together and make an effective program which would serve, say, 90 per cent of the farmers, or at least all those who want a viable crop insurance program, as many do.

• (12:40 p.m.)

It really does not make much sense in this region to pay out hundred of dollars a year for hail insurance, for example, when hail is only one of the risks to be faced. The ordinary operating farmer really has no other crop insurance. It is true he is paying into PFAA which may come along with a maximum of $800 should he encounter trouble—a sum which is of no practical value at all to a man farming over 1,000 acres. Yet, we are limping along with a second rate approach of this kind. The farmer pays into PFAA at the rate of 1 per cent of the total value of the grain he sends to the elevator. Maybe he buys hail insurance. The cost of this would vary with the cover, but on 1,000 acres it would probably cost between 60 cents and a dollar an acre. PFAA will not pay enough money to be significant in the case of large operations such as we have in Saskatchewan. True, a farmer may carry hail insurance, but there are other risks such as frost, drought or a late harvest which can greatly reduce the value of a crop. So, farmers are paying out on two fronts, yet they do not have adequate crop insurance against the risks they ordinarily encounter. I have mentioned only a few of these risks. Where the crop is rape seed, insect pests can destroy it in whole or in part. Some of our crops can be substantially damaged by rust. Against all these major risks, we are protecting only some 12,000 farmers in the province of Saskatchewan.

The minister brings down a bill which is concerned about land coming under flood. Very fine. I do not know what proportion of our land comes under flood in Saskatchewan, Manitoba or Alberta, what fraction of one per cent it is. But it is proper to be concerned about it. I am saying to the minister that it is about time he got together with responsible people in the prairie provinces to work out an effective crop insurance program, put it in the form of a bill and bring it before the House so that it could be properly debated. Then, proper crop insurance could be made available to the majority of farmers in western Canada.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to make a few comments on the bill now before us, an Act to amend the Crop Insurance Act.

I should perhaps at this stage quote a few passages from the bill, and in particular paragraph (b) of subsection (1):

> (b) loss arising when the seeding or planting of a crop is prevented by excess ground moisture, weather or other agricultural hazards.

These changes would increase the extra coverage now offered under the Crop Insurance Act by extending it to the loss incurred when excess ground moisture, weather or other agricultural hazards prevent the seeding or planting of a crop.

I wish first to emphasize that the crop insurance plan is an excellent initiative from the federal government. I think that this insurance program has greatly helped and will continue to assist farmers who were victims of bad weather which can totally or partly ruin their crop. Perhaps this is not sure since this bill as it was and is today covers only 80 per cent of a potential or insured loss, of the independant factor of production and sales possibilities of the cultivated product.

In my view, the previous bill was not perfect and I would go as far as saying that it was merely a rather rough sketch of a measure intended to really help the Canadian farmer.

It was better than nothing, Mr. Speaker. The legislation we had in the past required the farmer to be the co-insurer of a portion of the loss of his crop. I think the principle involved is wrong.

The amendment it is sought to bring about through Bill C-185 specifically indicates that subparagraph (ii) of paragraph (*b*) of subsection (3) of section 5A is to be replaced by the following:

"(ii) in the case of a loss described in paragraph (b) of subsection (1), eighty per cent of the average cost of such of the following operations as have been carried out, namely:

(A) summer-fallowing of the land, (B) cultivating the land, (C) fertilizing the land, (D) purchasing plants for transplanting, and (E) other preparation for seeding or planting a crop;"

This joint insurance is tantamount to penalizing the farmer by a minimum of 20 per cent of his crop by way of payment due or accepted by the government. Furthermore, in view of the complexity of loss assessment, the farmer can even lose up to 40 or 50 per cent of potential reimbursements provided by the act under the crop insurance plan.

Mr. Speaker, when an inspector visits a potential plantation or a piece of land for potential crop seeding, that, I believe is when application of the whole act becomes complex. Whether or not the new bill covers excess ground moisture, will possible irrigation be taken into account? Will it take into consideration the state of the farmer in name only or that of the man who really works his land and expects a maximum yield?

• (12:50 p.m.)

I also suggest there are several important weaknesses in the bill as it is now stands concerning crop insurance.

For example, if a farmer gives his farm good care in order to get the maximum yield per acre, if he practices irrigation in a well planned and satisfactory manner, if he uses chemical fertilizers or other organic matter in sufficient quantities to increase his production per acre, all these factors should be covered by the legislation.

Unfortunately, I must say in support of the member for Saskatoon-Biggar (Mr. Gleave) that the former act was not precise enough with regard to these conditions. No mention was made, any more than in the present one, of the production of the land owned by the farmer and cultivated by him, in the last three, four or five years. Yet, that is decidedly the determining factor in establishing the possibility of a loss, or evaluating the loss the act should cover.

And so, that farmer will receive the same indemnity as his neighbor who has lost everything because he manages his farm haphazardly, who has a hard time getting even a meagre crop, compared to the other who manages for instance, to get two crops of hay a year, or even three.

[Mr. Beaudoin.]

I feel we should assess the amount of the loss, not according to what is seeded, but by evaluationg the annual profit per acre of the land insured, and this on the basis of the average for the last three, four or five years.

I also feel that Bill C-185, which is meant to be a forerunner of notable advances in the crop insurance plan, by paying indemnities to victims of crop losses before planting if the weather is not favourable and the soil not adequate for good production due to factors beyond the farmer's control, is not profitable to the latter because it places him in the position of co-insurer of his own crop.

I do not like to see the farmer penalized at the start by at least 20 per cent of his possible crop returns on account of bad weather which is beyond his control. I understand that in the case of automobile and public liability insurance or any other type of insurance, the insured becomes co-insurer in certain cases of his eventual loss because he has probably a share of responsibility and this is often due to negligence on his part or to factors which can generally be controlled by the insured.

The farmer is in no way responsible for the weather or the damage done to his crop. I think that is why section 5A(3)(*b*)(ii) of the present legislation reads as follows:

—eighty per cent of the average cost of summer-fallowing the land;

Besides, Section 5A(1)(*b*) states:

—loss arising when the seeding of summer-fallowed land intended to be used to grow an insured crop is prevented by excess ground moisture, weather or other agricultural hazards.

It is always 80 per cent to start.

To conclude, I must say that Bill C-185 is far from perfect for the reasons explained above, but I admit it is a step forward and an improvement for the Canadian farmer.

I therefore support the bill but with great reservations.

[*English*]

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I welcome this opportunity to make a few remarks about the amendment introduced in respect of crop insurance. This is not a contentious matter. The need for this amendment is apparent as a result of our experience earlier this spring when many areas of western Canada were flooded and it was doubtful that crops could be put in at various locations. As a result, the government initiated the Lift Program. There was some concern about the reduction of wheat acreage.

Much of this land which had been in summer fallow and normally would have been sown was under water. Because of the shortened season, it was unreasonable to expect farmers to put in crops. Had they done so they would have run the risk of not being able to harvest their crops before frost set in. The government was particularly concerned at that time with insurance coverage because of the knowledge that many farmers would not

be able to make a living or get any revenue from their land. I congratulate the government in this regard.

This crop insurance plan was initiated some 10 or 11 years ago. With the knowledge we have gained since then, we can take a closer look at the situation and perhaps come up with amendments which will make it possible for a greater number of farmers to participate. I was surprised when I first looked up the records to find that only 53,000 farmers in the whole of Canada participated in the crop insurance program.

I think everyone agrees with the principle of insurance in one form or another. Very few people would go without fire insurance and the like. Similarly, when it comes to a question of personal income, and where livelihood is derived from farming, an insurance program is extremely important. No one will argue against the need for crop insurance legislation. Promotion of this program has been lax. Not enough initiative has been taken by the federal or provincial governments. These governments should do a great deal more to sell this idea to the farmers.

May I call it one o'clock, Mr. Speaker.

The Acting Speaker (Mr. Laniel): Order. It being one o'clock I do now leave the Chair. The House will meet again at two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Korchinski: Mr. Speaker, before we rose at one o'clock, I was trying to point out that even though the crop insurance legislation has been in effect for over ten years there have been relatively few farmers in Canada who have participated. I realize that in the initial stage it was necessary that one should gain some experience in this respect. At that time, some provincial governments were reluctant to enter a plan in respect of which they had no experience. I well remember some of the arguments that were raised. Some suggestion was made that perhaps a provincial government could become bankrupt if there should be a series of crop failures in a particular province. Since then, amendments have been introduced whereby loans could be provided to provinces. I believe this, to some extent, has eliminated that particular criticism.

Before I venture too far into some of the remarks I wish to make, I might raise a question with which either the Parliamentary Secretary or someone else speaking in reply might like to deal. I refer to the matter of whether this particular amendment would require that the same rules which had been in existence before would apply or whether the total amount of flooded land might be considered separately from other cultivated land in calculating any award to farmers who have crop insurance.

• (2:10 p.m.)

When the plan was first introduced, there was a fair amount of enthusiasm in many provinces. Perhaps this was enthusiasm from people who were willing to learn about schemes with which they were not too familiar. On looking back at some of the annual reports on the province of Saskatchewan for the year 1961, one finds there were around 118 municipalities which indicated that they wanted a study carried out in their municipalities to see whether a particular plan might not work in their area.

Of course, in its infancy the administration was not capable of coping with some of these problems because naturally the staff was inexperienced and inadequate. In addition, they only had a limited time during which to solve these problems. In subsequent years, such as in 1961, many farmers in western Canada would have gladly participated in the program because the awards that would have been made would have helped to stave off the slump in the economy of western Canada at that time and might have tided us over.

We have had similar experiences in other years. Three years ago we had a severe frost, particularly in the northern part of Saskatchewan. This was another time when I saw completely frozen crops. Following that year, the Saskatchewan pool invited representatives from all parties to attend their meetings. At that time members of all parties in the House had an opportunity to visit some of these areas which could have had a tremendous 40 million bushel crop. There was every appearance of a good crop; the stand was big, the heads appeared to be well formed, but when you shelled them out you found they were frozen in the flower stage. Insurance in this case would have proved of enormous benefit.

After 10 or 11 years we find that, despite all that can be said for crop insurance, only a small percentage of farmers in Canada have taken advantage of it. Either the Parliamentary Secretary or the hon. member for Saskatoon-Biggar (Mr. Gleave) indicated that some 12,000 farmers in Saskatchewan had participated. He based his comments on the report that is available. I checked the number of farmers who participated last year, and I find that there was a decrease of some 3,000 in Saskatchewan. I think that perhaps there may be a reason for this decline. Last year was a particularly critical year financially in western Canada. Many farmers were cutting down on expenses wherever they could. For example, they cut down on fertilizers or on insurance. Perhaps this was not wise, but it enabled them to carry on their farming operation. As a result of the lack of cash in western Canada last year, there was a drop from the 12,000 farmers who participated the previous year to 9,000 last year. If this is a continuing trend, I imagine we will be struggling hard to get them back.

In addition to the fact that there were fewer farmers participating—a decrease of 25 per cent from those who participated the previous year—another factor must be taken into consideration. Among the farmers who had participated in the scheme by making a payment of

approximately $1 or $1.25 per acre, many reduced their coverage to 50 cents an acre. This was done for several reasons. The first and foremost was to cut down on the premium, and perhaps this was the deciding factor. The second reason was that many of them would have liked to continue the insurance program but elected to stay in it only at the lowest possible rate in order to avoid paying into the PFAA program. As any farmer in western Canada knows, this was a deduction that might be levied as part of any future elevator charge. While many farmers are searching for a group insurance scheme, I think they would like to get out of the PFAA program.

As I look at the map indicating the areas in which Saskatchewan has participated, I am sorry to see that to this date Saskatchewan has been slow in promoting the idea of crop insurance. There may be several reasons for this with which I would like to deal briefly. On looking at the map, one finds that the eastern half of the province, outside of certain pockets that may be excluded, is by and large included in any kind of plan, but the number of participants in this particular area may be very small. This is a sad fact because out of a total of about 180,000 to 190,000 farmers in the three provinces only about 35,000 farmers are participating. This is a sad state of affairs, particularly in view of the fact that Manitoba has joined in the scheme quite substantially. There is another very valid reason for this low level of participation. Perhaps this is the fault of the provincial administration. On looking back, I see that the 1961 report indicates that at least 118 municipalities wished an analysis of some kind to be carried out regarding the need for crop insurance.

According to the latest available report, I find that only 60 agencies exist in the whole province of Saskatchewan. This is ridiculous because everybody knows that insurance is not usually bought without a push to sell it. Anyone who has had any experience in buying insurance knows full well that there have been times when he has been talked into buying insurance and been happy about it simply because somebody made the effort to sell it to him, perhaps for a reward or on a commission. However, the point is that the fine details have been explained. This is one of the reasons there was such limited participation in Saskatchewan.

If one looks at the map and draws a straight line down from Prince Albert to Moose Jaw, one sees that the eastern half of the province can be said to have participated in general, but the western half, outside of the Saskatchewan River area around Rosetown, is participating only in a very limited way. Although the area may be shaded on the map, this does not necessarily mean that there are very many farmers who participate. In fact there may be only half a dozen farmers participating. The reason is that there are not sufficient agents. The provincial government administration in our part of the country is at fault by not allowing many of the other areas to participate if they wish.

• (2:20 p.m.)

When I look at some areas, I find that one agent may have to cover six municipalities. Unless he does a lot of travelling he cannot do a good job of selling crop insurance in the area. I realize what happens in these cases. Somebody applies for the job, and the usual kind of thing takes place. They pick out an applicant and see if he is the right political shade. But even though he may be the right political shade, if he is gainfully occupied in some other activity, in business or farming, this cuts down on the time he has available for selling crop insurance. Usually, the agent will select a particular day to try to sell crop insurance coverage. It may be the day when an auction sale is taking place, or a community picnic. Then, he will try to see how many farmers he can convince to take out crop insurance. That is a sorry attempt to sell coverage.

The minute disaster strikes, the provincial government is under the gun. The farmers are under financial pressure. They do not have the resources to fend for themselves. What is required is a full-time agent, although I do not suggest he should have no other source of income. However, Mr. Speaker, this is one area in which we are at fault.

As pointed out by the hon. member for Saskatoon-Biggar (Mr. Gleave), the rates of average yield established for many locations are away out of reason. All practising farmers know that the use of the long-term average is wrong, and after paying high premiums for several years they find that unless they have had a complete crop failure they do not qualify, so they stop thinking about participating in the plan. Generally speaking, the farmer who participates in the plan can be the best salesman for it. If it works to his advantage he will sell it to his neighbours. Farmers are willing to share their experiences with each other, and their experiences to date indicate that the method of calculation is all wrong. It is not advantageous to many farmers.

As I understand it, the Saskatchewan provincial scheme works on a 25 year average. Mr. Speaker, in 1945 we did not have some of the varieties of grain that we have today. How many farmers were using fertilizers in 1945? Some portions of my area were not even opened up in 1945. Consequently, there is no just way of basing accurate averages over 25 years. Take 1961 as a good example. Even in that year we did not have a total crop failure despite drought. We took off a crop because of the practices the farmers had followed, the fertilizers they had used, the new varieties of grain the had sown, and the modern machinery which was available. Thus, there is no reason for calculating the average on a 25 year basis. We would be better off if this were reduced to ten or 15 years, to something nearer reality.

Another reason many farmers do not participate in the crop insurance program is that they cannot raise enough money for the premium. If the premium is $200, a farmer may be hard pressed to raise the cash to take advantage of the program. Farmers realize the danger of being without crop insurance, but sometimes they do not see how they can spare $200 to participate. Thus, they will take a chance on doing without insurance rather than putting out money that they badly need for other things.

There is an element of compulsion in the 1 per cent deduction which is made at the elevators when a farmer

delivers his grain. Perhaps another method of premium payment could be worked out, with all the necessary deduction made at the elevators. If a farmer is willing to participate in crop insurance he could have 2 per cent, 3 per cent, or even 4 per cent and 5 per cent deducted at the elevators. It should be possible to work out such a schedule to cover his premium. I, myself, would be willing to allow a 5 per cent deduction at the elevator because it would be a small portion of the total amount that I would receive. This would avoid some administrative costs and red tape. Perhaps it could be operated in the same way as PFAA. To some extent, it is compulsory. Everybody participates.

Of course, the onus would be on the individual to select the type of coverage he wanted. I may say, Mr. Speaker, that I think it is true that the day of PFAA is coming to a close. I think it may have outlived its usefulness. In my region the area that was first willing to enter the plan was the northeastern part of Saskatchewan, but we always felt we might be contributing to the plan only to help some areas where the average yield was lower. For example, our yield has always been higher than that in the southwestern part of the province, and therefore PFAA has not worked to our advantage over a long period of years. It has worked to the advantage of the southwestern part of the province. Consequently, there may be reluctance on the part of the provincial government to move into that area. Crop insurance is gradually working its way west, although I find it difficult to accept the fact that it has taken 11 years to sell the plan. More flexibility in the method of paying premiums could bring about greater participation.

• (2:30 p.m.)

There is another reason for the lack of participation. The only three crops that can participate in crop insurance in the province of Saskatchewan are wheat, oats and barley. As everybody knows, there has been a diversification of farm products. Farmers have been growing rapeseed, yellow mustard, flax and other crops for which there is no coverage. There is no reason for that. If one crop can fail, so can another. If it can hail on wheat, it can also hail on rapeseed. I do not need to go outside my own experience to know that that is true. Yet, not only must farmers carry crop insurance, they must also carry hail insurance separately; I think that is stupid. Why should a farmer have to pay an additional premium for hail insurance? I imagine that many farmers do not bother with general crop insurance because in their area the incidence of hail is greater than in other areas. I am quite willing to have some percentage deducted from my deliveries to cover insurance; yet I ask, why should I need to take out two or three different kinds of insurance to cover my crop. If the idea of crop insurance is valid, and I think it is, then I say there is room for amendment in the present legislation.

I think we should do our best to urge the provinces to participate in this plan. According to the annual report of the Minister for the fiscal year 1968-69 under the Crop Insurance Act, the only crops covered in Saskatchewan were wheat, oats, barley and mixed grains. Alberta provided insurance for wheat, oats, barley, mixed grains and peas grown for processing. I understand that there were plans in 1969 for the inclusion of rapeseed. In Saskatchewan, we have grown rapeseed over the years. Why has rapeseed not been included in that province, particularly in the north? I find this omission difficult to understand. In Manitoba the crops insured were wheat, oats, barley, mixed grains, flax, rapeseed, yellow mustard seed and sugar beets. Surely, the insurance program of that province is more in line with the sort of programs we ought to adopt everywhere. These figures pertain to 1969. I have not seen the figures for 1970. I also understand that in 1969 it was intended, in addition to grain and corn, to cover tomatoes for processing and potatoes. It seems to me that provincial governments bringing forward such programs were acting to meet the needs of their people.

For some reason or other we have been slow in Saskatchewan in moving to provide the type of protection which is needed, especially since we have been urged to diversify. I think governments could work out a plan that would to a large extent eliminate the operation of some of the hail insurance companies. Of course, individuals could still obtain individual coverage to meet their individual needs. I think that the exclusions in the bill render it unacceptable to many producers in the west. Hail comes down intermittently, a factor which farmers must consider. In addition, the growers of rapeseed must also consider that every 20 years some sort of blight settles on rapeseed. It follows a cycle of approximately 20 years; we cannot know the exact day when it will come. Nevertheless, I shall be unable to obtain coverage for my rapeseed. My hail insurance will not cover blight. Consequently, I must pay my premium for hail insurance and, if I want other crop insurance, I must pay an additional premium. As a result, I shall be forced to contribute to two or three insurance companies. They will collect premiums.

I shall also have to contribute to the government's insurance plan if I want protection. Nevertheless if my rapeseed crop is infested with beetles, or if some other disaster affects my yellow mustard or my flax crops, I will not be covered under this plan. That, to me, is reprehensible, and I do not think this should be so. That this can happen shows that there has been an oversight on the part of the government, and that there has been sheer negligence on the part of the relevant administration. I submit it is negligence, Mr. Speaker, because everyone knows that not only does the individual concerned in the disaster suffer agony but that the disaster affects not only that particular part of the country but the entire country.

I, therefore, welcome this amendment and wonder at the same time why the entire scheme should not be overhauled in conjunction with the provincial government. Surely, it would be of advantage if the federal government could talk to the provincial authorities and try to work out improvements to the act. After all, when disaster strikes, the first administration that you blame

or that you turn to is the federal administration. That is the administration that will provide the relief or welfare that may become necessary, in the event of a disaster, to tide the people concerned over their difficulties. I only hope that the administration in the province of Saskatchewan will take heed of the many comments which have been made here. Although we have not necessarily covered all the areas we ought to, nevertheless, as federal legislators—

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

Mr. John Burton (Regina East): Mr. Speaker, I want to say a few words this afternoon on the crop insurance bill, which is a matter of great importance and concern to the people of Saskatchewan, my own province, as well as to all farmers across Canada. With respect to the amendments before the House this afternoon, I am sure that no hon. member can take objection to the provisions proposed in Bill C-185. Nevertheless, I think we have to examine some of these amendments within the framework of the performance and operation of this program to date, within the context of needs as they are developing within the agricultural and farming community at present, and in relation to new developments and new programs which may be considered either at present or some time in the future.

The Parliamentary Secretary in his remarks introducing this bill, outlined something of the history of the federal government's involvement and participation in crop insurance programs. That was a very useful background for the debate we have embarked on today and, of course, helped to set some matters in their context. Crop insurance has interested farmers across Canada and, particularly, in my province of Saskatchewan for a long time, partly because in my province there is a history of instability of production. That has been a characteristic of the agricultural industry in Saskatchewan. The provinces of Manitoba and Saskatchewan pioneered crop insurance legislation. They started their crop insurance programs without complementary federal legislation or participation.

The province of Saskatchewan, for example, commenced its program in 1961. The program was started on a very limited scale that year. As a matter of fact, it turned out that farming and crop conditions that year were disastrous, and this helped to prove the need for a crop insurance program. When federal legislation was introduced, it was of some help. Yet it was also immediately recognized that there were serious limitations to the legislation. It took a number of years, as the Parliamentary Secretary outlined, before we saw legislation on a federal level which complemented and assisted provincial programs and which was in keeping with the requests made by the provincial governments. This afternoon, I should like to examine briefly three points which I think are of concern and importance in dealing with this legislation.

• (2:40 p.m.)

First, why are more farmers not participating in this very important program? This point has already been raised by the hon. member for Saskatoon-Biggar (Mr. Gleave) and the hon. member for Mackenzie (Mr. Korchinski). They pointed out that for the last crop year for which reports are available, approximately 12,000 farmers in Saskatchewan participated in this program. Only 12,000 out of a total of 85,000 participated. That is not a very satisfactory state of affairs.

As the Parliamentary Secretary pointed out, there was a drop in the participation in the program last year. Only 9,000 farmers in Saskatchewan participated in the program. This was not because of a lack of interest on the part of the farmers. There are other causes which must be examined by both provincial and federal governments. The provincial and federal governments have a responsibility to examine this program to determine why farmers are not making greater use of it. Why is more use not being made of the program when there is such an obvious and great need?

In so far as my own province of Saskatchewan is concerned, a good deal of the blame can be laid at the doorstep of the provincial government of that province for not having pushed this program more in recent years. When the program was commenced in 1961 by the province of Saskatchewan, the province proceeded very cautiously. At that time, there was not the full participation that was required. As I already mentioned, the actions of the government of that day in proceeding very carefully in the initial stages of the program were well founded. They gained experience with the 1961 crop. If a widespread program had been in effect that year, the province would have been bankrupt.

At that time the program was new. Only the provinces of Manitoba and Saskatchewan were involved in the program. They had to gain experience in the administration of the program. It was necessary for them to gather a body of actuarial data which was very vital to the development of the program. This experience and data was gathered over a period of several years. After five or six years operation, sufficient data was gathered. In the view of people with experience and competence in dealing with this program, it was possible to embark on a campaign to help bring about widespread participation by farmers. This was not done by the province of Saskatchewan. As a result, there has not been complete success. It certainly would have been possible to achieve much greater success than has been the case up to the present.

In addition to this particular defect in operations, it is necessary for both the provincial and federal governments to examine this program very carefully to try and determine what has to be done in order to bring about the degree of participation which is required if this pro-

gram is to be a success, and if it is to play a full role in stabilizing the agricultural industry in Canada.

The hon. member for Saskatoon-Biggar and the hon. member for Mackenzie have outlined the points which they feel should be taken into consideration in such an examination. I feel some of the points they have raised are valid for consideration and study. At this stage of the debate, I do not intend to deal with the specific points or to try and develop other points. I think they have done an adequate job. I simply wish to stress and underline the point that we do need a review and further study by the governments concerned.

Second, I wish to deal with the Prairie Farm Assistance Act. Some references have been made to the inadequacies of this program. Some suggestions have been made that it is time to eliminate this program. I have a great deal of sympathy with that suggestion. We should eliminate the PFAA program if it can be safely concluded that it is no longer playing a role which is essential within the framework of the agricultural industry. I want to make it clear that I am not suggesting scrapping this program without complementary action in terms of developing other programs such as the crop insurance program and the income stabilization program, which would ensure the degree of stability which we desire for the agricultural industry.

I recall when the PFAA program was introduced. I was only a boy at the time but I have heard a great deal of discussion about it. At that time, it was only a half-baked program and was very unsatisfactory. It was unacceptable to many farmers in western Canada at that time. Nevertheless, it was proceeded with by the Liberal government of the day. This program was pushed through under the leadership of the then Minister of Agriculture, the late Right Hon. J. G. Gardiner. I recall some of the statements made then with reference to the rules that should guide this program in its introduction. One of the points was that we needed to ensure that farmers were efficient. Inefficiency among farmers was not to be encouraged. That has a rather familiar ring in light of some discussions being carried on at the present time with reference to some new proposals which have been advanced by the government.

PFAA at that time had a very rigid framework for its operations. It was only a matter a matter of time until this was shown to be unsatisfactory. One by one, changes and amendments were made to the rules and methods of operation until there was a greater degree of flexibility introduced into the program. This was very essential. Great stress was placed on the need for encouraging efficiency among individual farmers by the manner in which the program was introduced. Many people who have studied this subject have concluded that the way in which PFAA operates today encourages a type of inefficiency within agriculture in western Canada. This is not demonstrated in terms of an individual farm operation, but in terms of the industry. It is very important that we consider this. The crop insurance program is to be a substitute. This, of course, has been recognized within PFAA, although I think it would be useful to dispense with the program. It is no longer serving a useful purpose. This can only be done if it is complemented by other programs which would bring about a greater degree of stability within agriculture.

The third point I should like to examine with respect to the crop insurance program and the bill before us is in connection with the relationship between crop insurance programs and the grain stabilization proposals advanced by the Minister of Manpower and Immigration (Mr. Lang), who is also the minister responsible for the Canadian Wheat Board. I wish to underline the term "grain stabilization program". In all official documents which have been released, the government has been very careful to say grain stabilization plan, program or proposal. They have avoided the term "income stabilization" in the official documents. As soon as the minister and others who have been advancing this proposal get into a discussion on the subject, they immediately use the term "income stabilization". I want to make it clear it is nothing of the sort; it is not income stabilization.

• (2:50 p.m.)

I think it is important to take into account all the relevant factors when examining this particular proposal by the government. The crop insurance program is, of course, related to physical production; this is the basis upon which the program is operated and upon which compensation is paid. The stabilization proposals were limited to western Canada and they deal with the situation from the standpoint of gross cash receipts to farmers. These, of course, are determined by the deliveries farmers are able to make to the grain handling and movement system. Without going into detail at this time, it seems to me the government should give consideration to the features of a crop insurance program in addition to any proposals it may bring forward in connection with the grain stabilization plan. It is important to avoid duplication of services and the proliferation of programs which prove a burden to the farmer in the long run. We need a commitment by the government to stabilization programs—to an adequate degree of stabilization.

Hon. members may recall our criticism of the grain stabilization program already announced by the government in this connection. My hon. friend from Saskatoon-Biggar has drawn attention to the difficulties which farmers face by reason of deductions for PFAA, hail insurance and so on. There is urgent need for the coordination of these programs, regardless of the fact that they approach the problem from different standpoints. I urge the government to take steps to ensure there are adequate public stabilization programs, an adequate degree of public involvement, and a commitment of public expenditure to those programs. On the other hand, the government should avoid any unnecessary duplication of programs and services.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to make a few comments on Bill C-185, to amend the Crop Insurance Act.

Having listened this morning to the hon. member for Lac-Saint-Jean (Mr. Lessard), Parliamentary Secretary to the Minister of Agriculture, I soon realized he was giving us a picture of all the accomplishments since the Crop Insurance Act came into effect and it seems to me the purpose sought is worthwhile and worthy of the attention of all members.

One must also recognize that many farmers have not yet been able to obtain the security they are entitled to. A guarantee of stability, such as the one enjoyed nowadays by union members, is certainly not shared by farmers and I believe that is all the more reason for considering carefully this amendment to the Crop Insurance Act.

The proposed changes seem good, but is that enough? They can never be too good as far as the producers are concerned, but they nevertheless seem commendable and advisable.

I deemed it my duty to explain briefly the difficulties the Quebec farmers met with in order to adjust themselves to this crop insurance program since it came into effect. I do not merely wish here to criticize this piece of legislation. On the contrary, considering the difficulties met by many producers in this province, I am wondering if the few minutes available to me will be enough to convince the federal government and the Quebec members to urge the Quebec government to be more responsive to this important piece of legislation on crop insurance.

It is our duty to inform the Quebec farmers about it. Some producers have often complained that the federal government failed to do this or that while perfectly aware that it was a provincial responsibility and that the federal government is only paying 50 per cent of the crop insurance.

The federal government is playing—and I mean "playing"—an excellent card by offering quite a valuable subsidy so that each province may use it without any hesitation. The Quebec government's hesitation in participating in this program or the lack of cohesion in its administration makes some producers feel uneasy because, so it seems, the program administration is too slow and unfortunately the claims are kept waiting. Once more, the blame is not on the Canadian Parliament but I dare hope that my contribution will urge Quebec federal members to inform Quebec farmers that this administration is, so to say, 100 per cent under the Quebec government's responsibility and that we are prepared as federal members to co-operate financially to this program.

Mr. Speaker, I also wish to call the attention of the minister responsible for this legislation, since he is now in the House, to the fact that in my constituency as in others of the province of Quebec, important potato growers, unfortunately, have not yet benefitted from this crop insurance program. I know that we cannot blame the Canadian government but, before such wavering and the Quebec government's lack of consideration towards potato growers, may I request the Minister of Agriculture (Mr. Olson) to have his opposite number in Quebec invite the potato growers to take part in this crop insurance program since they make up a rather significant economic force in the province of Quebec. Those potato growers deprived of the benefits of this program still feel concern about bad weather and frost. Still, rain is their greatest enemy, and they have suffered huge losses in bad years. Obviously, they are all the more unhappy other cultures are today covered by crop insurance.

• (3:00 p.m.)

I dare hope that members from Quebec in this House as well as the Minister of Agriculture will pay particular attention to this problem so that Quebec will finally understand that potato growers must enjoy the same coverage and benefits as others across the country. I am making these comments in the interest of these producers generally. There was also reference to a review of the estimates, taking into account, for instance, changes pertaining to soil preparation, etc. A review is required as in any other field since "technicalities" are changing and requirements force us to modify frequently our method of administration and operation.

Those estimates, which may have seemed sufficient a few years ago, are less and less so today because costs appear to be increasing. It is perhaps important that the government consider the problem and bring out some solutions in order that producers may obtain compensation more in keeping with their expenses.

I do not want to forget to ask the government to consider paying a premium to certain producers or rather to consider the difficulties in which these people find themselves when they have to pay their contribution to the plan. One of my colleagues stated a minute ago that this payment could perhaps be made at harvest time. I suggest that it should be possible to establish a plan allowing the producers to pay this insurance premium at harvest time.

Should there be crop failure, governments will not lose anything as they will be able to collect insurance premiums. Now, if the premium could be paid at harvest time, this would give a certain number of producers the feeling that they have protection since they deny themselves this kind of insurance because the original premium is too costly.

Protection is never too costly but, on the other hand, one has to be realistic and appreciate that for some people this is getting to be pretty hard. We might consider allowing the producers participation in this program by having them pay their insurance premium at crop selling time.

Now, I would not like to encroach upon the time allotted to the other hon. members, but let me repeat that this bill is positively most commendable and most acceptable. I do hope that the farmers, whether they live in Quebec or in any other province will avail themselves of these ever-increasing and ever-improving advantages. Canadian farmers must take advantage of this insurance to which they are entitled, in our society, just like any other class of workers.

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, I wonder whether the member for Joilette (Mr. La Salle) would further specify the nature of the problem concerning the potato crop in his area in Quebec. I have not completely understood the essential point of his argument. I would like to know if the provincial government is refusing to include the potato crop in his insurance plan or if on the contrary, the potato producers do not want that insurance.

Mr. La Salle: No, it is the Quebec government which did not deem it advisable to make that insurance available to potato producers. I know for a fact that a great number of important potato producers in my area are demanding that insurance and since the provincial government is now refusing to take part in this plan, I have taken care not to blame the federal government but to invite it to make the Quebec government understand that its hesitation is disastrous for a certain number of potato producers. I hope that our appeals to the province of Quebec will enable our potato producers to take advantage of that insurance as other producers.

[*English*]

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in rising to speak on this amendment to the Crop Insurance Act dealing specifically with losses arising when the seeding or planting of a crop is prevented by excessive ground moisture, weather or other agricultural hazards, I can find no real issue with the measure and think it will be a useful addition to the crop insurance armoury. I assume that this will mean extended insurance coverage, and while it is a useful addition I think it may be somewhat difficult to administer. I note, also, that the term "agricultural hazards" is used. I would be interested to know what is meant by that term and under what circumstances the term "hazard" will be applicable.

Dealing with the situation in western Canada as applicable particularly to my own area, this program probably will have a limited application because I have only known of one or two years in which there has been an almost total failure or widespread loss of opportunity to plant crops. On the other hand, there have been numerous occasions when farmers have been unable to plant the crops they intended to sow because of excessive moisture. This has happened very often in respect of a piece of summerfallow a farmer intended to sow in wheat, but due to a wet spring he was forced to seed late and thought it would be better to put in another crop which was not as desirable, either because of the return per acre or because it did not fit in with his particular plans.

Another question I think might well be raised is this: When does a farmer apply to take out crop insurance? If he had the privilege of waiting for even part of the spring before applying for coverage, this could cause unusual losses. No doubt the minister and his departmental officials will have explanations and answers to these questions which will be raised during the committee's consideration of the bill.

I should like to speak briefly about the principle of crop insurance and how it effects western agriculture, particularly the farmers in my area. We are all aware that western farmers use two main vehicles to obtain compensation in respect of a disaster that has befallen them because of the elements. One is the PFAA and the other is crop insurance. Both these vehicles have been useful and have their proponents. Crop insurance seems to find favour with intensive farmers, those who perhaps may be credited with bringing considerable knowledge and acumen to their farming operations.

If the price of grain is fair and the grain is moving readily, there tends to be a larger acceptance of crop insurance. However, when farming profits are more tightly squeezed and the grain is not moving, crop insurance is not so attractive to the farmer because he may well be required to pay a premium on grain which will sit in the granaries for years before moving into the markets of the world. So this becomes a matter of value judgment of the farmer facing a grain situation such as has existed in western Canada for the past two years. A farmer may well be unable to market his grain and thus is faced with added expenses with no return. I think crop insurance should remain on a voluntary basis with as wide a range of options as possible, consistent with reasonable administrative costs. There has been a feeling that crop insurance should completely replace PFAA, but I am not in agreement with this concept.

In my opinion, the PFAA has been a great boon to western Canada. It has its faults and it is outdated in many ways, but it is a very useful tool to aid farmers in times of distress. Many farmers have told me that it was tailored for the time when a farmer had four horses and a gang-plow, and it has not kept up with modern needs. There is general agreement among the farmers to whom I have spoken that the PFAA could be a useful tool if it were upgraded. Although my riding is in an area where drought is a most infrequent cause of crop failure, and although the original PFAA was largely designed for widespread drought, I have been struck by how helpful it is to many recipients.

Crop insurance tends to be taken out by farmers who by virtue of their business ability would be able to survive in any case. Crop insurance, to them, is like life insurance or other forms of insurance to the prudent. There are a great many people involved in farming who have neither the ability nor the ingenuity to make such complete plans. Even the small PFAA payments have often been enough to turn what would be a disaster for many small and insecure farming operations into a situation with which the farmer can cope.

In my experience, most of these people would not have bought crop insurance in any event; they just never get around to it or ar perhaps unaware of it in spite of the publicity it has been given. Perhaps they felt they could not afford the premium. These are very often the people the Liberal party has suggested should leave the farm. I do not know what they would do in the cities, in view of the mass unemployment we have now, which no doubt will be a recurring feature in our fast-changing society.

Crop Insurance Act

• (3:10 p.m.)

The PFAA should be amended. On one or two occasions I have tried to bring this to the attention of the Minister of Agriculture (Mr. Olson). I cannot recall the exact details, but it seems to me that in its 30 years of existence it has cost the government substantial amounts on only one or two occasions. Nearly always the 1 per cent levy has represented as much as the cost, so the cost to the federal treasury has been very little. If I recall correctly, the cost of administering crop insurance—which is carried out by the provincial governments with the assistance of the federal government—has been in the neighbourhood of $5 million annually to the federal treasury.

PFAA seems to be reasonably easy and cheap to administer, but if the $5 million were allocated to increase payments to PFAA this could well increase by 50 per cent, in most years, the payments under PFAA. I do not say that PFAA should replace crop insurance, and I do not think that PFAA should supplant or diminish the scope of crop insurance, nor would I wish to have a significant proportion of farmers opt out of crop insurance in favour of PFAA. I believe, however, that governments should involve themselves in preventing the worst results of a disaster, particularly a climatic disaster, to farmers.

Consideration should be given to upgrading the PFAA in a more modern setting and with a more realistic payment to farmers. Money spent here, in my opinion, is extremely valuable from a social point of view, if nothing else, and we should consider it in that light. It is perhaps difficult to reach a perfect balance between social spending and pure crop insurance, but I believe PFAA goes some distance in this regard. I believe that a study of this problem should be carried out, and I am sure that the PFAA should be retained with useful modifications which would not detract from the crop insurance principle.

I have one other grievance to raise which affects particularly my own constituency of Dauphin and that of my colleague the hon. member for Marquette (Mr. Stewart). This point concerns the damage done to crops of farmers all around the edges of Riding Mountain National Park. I believe other parks are in this category and that provincial parks also are involved. A great deal of attention has been given to conservation and preservation of wildlife. It is to our credit—and I am very happy about this—that we have been successful to a considerable degree, but the supply of game has increased at least in relation to the wildlife habitat that can support it. Increasingly there is damage to the crops of farmers who live in these areas. It does not matter that the number of farms involved is relatively small in number; it is a problem that the farmers are powerless to do anything about.

In Riding Mountain National Park there is a large herd of elk variously estimated at 7,000 to 11,000. Periodically, as happens in respect of all animal populations and even, unfortunately, in respect of humans, population explosion takes place. At the present time there seems to be a very excessive population of deer, mainly elk, in the Riding Mountain National Park. The term "game management" is increasingly being used to define the keeping of game within reasonable limits in a given area so that it may cause the least possible damage to other interests. Unfortunately, the people who administer our national parks never seem to have heard of this concept. I believe that in Riding Mountain National Park the game people will have to decide to manage deer population so that depredation of surrounding farmlands can be kept at a minimum.

The national parks administration has been singularly unresponsive to complaints and attempts to see that reason is exercised in respect of this problem. I think this is one more example of the national parks being administered as if they were a fiefdom, with complete disregard for the surrounding communities. It is very much like the days of the old feudal lords. No matter what game management is carried on, there will always be damage from wildlife. It seems very necessary that the federal government and provincial governments take a hand in compensating those who sustain severe losses which in a few cases are disastrous. Up until now, both levels of government have largely closed their eyes to this problem. With increasing hunting licences and higher fees, more money should now be available for this purpose. As more and more people move into the cities, there is a greater demand for hunting recreation and more money must be allocated for compensation for crop damage.

Now, Mr. Speaker, I would like to say a word about the grain situation that crop insurance is designed to correct. There is no doubt that the next 12 months will be critical. We have completed the Lift program. So far as the western grain producers are concerned, this program has left them in despair. They know not where to go from here. There is an enormous summerfallow from last year, of 38 million acres—the largest in Canadian history. This could produce an enormous crop, but this land will have to be seeded because it cannot be re-summerfallowed.

The minister in charge of the Wheat Board has been credited with saying that exports of what could reach 550 million bushels in the crop year, but recent indications are that with Russia likely to refuse the 53 million bushels left over from the 1966 deal, there is no likelihood that Canadian export sales will reach this figure. A figure of 360 million bushels to 450 million bushels seems much more likely. It is estimated that there will be a carryover of at least 650 million bushels on hand at the end of July, 1971, although I think no one really knows what is on hand in the farmers' bins. The Dominion Bureau of Statistics method of estimating does not seem very accurate and many competent people doubt that there is as much grain on Canadian farms as indicated. Nevertheless, there still is a large amount of wheat in storage.

Although grain has been moving out of western Canada, so far as wheat is concerned, most of it has been coming from stocks that have been held in storage by the Wheat Board. The decision of the government to do away with the Temporary Wheat Reserves Act means that $70 million allocated for this will be used, presumably, for

the crop stabilization program and will cover a good portion of the estimated $100 million for this program. Because there will almost certainly have to be an increase of probably 50 per cent in grain handling charges, this may mean farmers will not be much better off than they were last year.

The cash flow of the farmers of western Canada was down considerably in 1969 over previous years, and as the price of meat, particularly hogs, has dropped significantly it seems to me that this is a significant factor. The cash position of the western farmer will become increasingly severe before next fall, and serious cash shortages may develop. I believe that the farm cash situation in respect of the west is not good, and the remedial action taken by this government so far does not seem to be the answer.

Now, Mr. Speaker, I wish to comment on the proposals of the minister in charge of the Wheat Board for a production and grains receipts policy for the western grains industry. Almost all farmers whom I have queried about this matter have complained of the lack of detail and information necessary to carry out a value judgment, particularly as it relates to their own situation. Most farmers have good reason to be wary of too much enthusiasm by those who initiate policy and who sometimes have been led astray in their planning. One farmer pointed out that although the barley market was moving and barley is in strong demand, if other governments should increase their subsidy there would be a limit to what Canada could use and at what price barley could be grown. The idea that if there were a loss in a pool in a certain year, to be made up the following year, could present problems and inequalities which could easily upset plans for a more uniform production plan for any type of grain.

The cash stabilization plan may have a place in producers' plans, but until it is known what the premiums will be it is difficult to know whether it will be acceptable or not. Here again, the government intends to sit it out until all the producers' premiums have been exhausted. It makes good headlines to say that the fund will be supported by government, but it would appear that in most cases this support would be in the proportion of one horse and one rabbit. All farmers with whom I have spoken agree that the suggested 3 per cent levy on all crops is too heavy a price and one which would make the plan unacceptable. The pay-out under the proposed stabilization plan would seem to be too global to be practical. It would not be regional or even provincial. The program would not be selective enough, as far as recipients are concerned, to ensure that good value was received for the money spent.

• (3:20 p.m.)

Farmers are worried and concerned. They are uneasy. As individuals, they may find themselves left out in view of all the changes in the rules and regulations that have been made. The resolution passed by the Manitoba pool elevators, that the grain stabilization plan should not be instituted before a thorough study is made, could be prophetic and should be heeded.

Crop Insurance Act

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I have a few comments to make on Bill C-185. First I would say that I approve of the bill, but I want to take this opportunity to make further comments on the crop insurance plan in general. I have commented on crop insurance and suggested several improvements to it in the last three sessions of Parliament. It seems to me that the federal government could very well pick up more than 25 per cent of the premium cost of this plan, which is presently the case. It should also be remembered, of course, that the federal government and provincial governments share equally the administration costs of this plan.

The report of the task force on agriculture gives a résumé of what has taken place under the Crop Insurance Act since it came into effect in 1960, and it is broken down by provinces. It is interesting to note some of the figures. For instance, at page 392 of the report it is stated that in Prince Edward Island, for every $1 that the farmers have paid into crop insurance by way of premium in the last nine or ten years—this report was in 1968-69—farmers have collected $2.28. In Quebec, farmers have collected $2.34; in Ontario, $1.41; in Manitoba, 58 cents; in Saskatchewan, the lowest figure of the provinces quoted, 44 cents for every $1 that they paid in; and in Alberta, 83 cents. Because the federal government pays 25 per cent of the premium cost, farmers should really get back $1.33 in the long run for every premium dollar they pay. Therefore, the plan in the Prairie provinces is not what it should be, particularly in Saskatchewan.

I have been saying at many of the meetings I have attended in my constituency in the last three or four weeks that crop insurance needs overhauling so that it will become more acceptable to the farmers and will be made available to all farmers in all parts of the Prairies. Instead of becoming more acceptable, farmers are dropping out of crop insurance in Saskatchewan. According to reports, in Canada in 1968 there were 64,376 contracts taken out by farmers under the crop insurance plan. In 1969 this figure dropped to 62,359. In Saskatchewan, during the same period, there were 12,343 contracts in 1968 and in 1969 this figure dropped to 11,637.

With regard to PFAA, I think the hon. member for Dauphin (Mr. Ritchie) should look at the latest report on the Prairie Farm Assistance Act, which gives all the figures with regard to pay in and pay out over the 30 years since it was first established in 1939. These figures show that the total levies paid by farmers in that 30-year period were in the neighbourhood of $207 million, while the total pay-out to all farmers in the same period was $383,516,518—almost two to one. This does not mean that the Prairie Farm Assistance Act is satisfactory. It is the opinion of farmers to whom I have talked, and I think this also, that we could very well phase out PFAA and there would be little regret.

I shall point out some of the things that are wrong with PFAA. First of all, the ceiling is $800 per farm, which is not very much for an average grain farm; it is hardly worth while. Second, it is not done on an individual basis. Under the PFAA regulations, some

farmers who should not be paid are paid, and in other cases farmers who should be paid are left out because of the block basis upon which claims are adjusted.

Mention was made of the stabilization plan and how crop insurance might fit into it. In my discussions of the grain income stabilization proposal in recent weeks, I have found a great deal of concern about the involvement of crop insurance with this proposal. Suggestions have been made, and I think they are valid, that crop insurance receipts should be treated as grain income for purposes of this plan if it becomes effective, because that is really what crop insurance payments are, a substitute for grain income. Of course, they would have to be not only eligible for the benefits but also subject to whatever deductions there might be, hopefully, less than 3 per cent, which may eventually be applied in this proposal.

However, before this can be done equitably, crop insurance has to be made available to farmers in all parts of the Prairies as well as in all parts of Canada, and it must be made available on terms at which the farmers will buy it. At present, they cannot afford to buy it because the premiums are too high for the coverage that is given. That is so in Saskatchewan, at least, as indicated by the figures in the task force report. Therefore, I suggest to the minister that he should contact people in the various provinces, especially in those where there is not complete coverage, negotiate with them and try to persuade them to provide, as quickly as possible, full coverage for all areas in their provinces so that all farmers may have an opportunity to participate. This is a very real concern.

In recent days I have been talking about the stabilization plan because I believe there should be subsidies, including crop insurance benefits, as grain income for purposes of a stabilization plan, otherwise farmers in many parts of the Prairies who are subject to recurrent crop failure could very well find themselves, after two or three crop years, with little or no basis upon which to collect stabilization payments. I say again that I support this bill, and I hope the Minister of Agriculture (Mr. Olson) and the government will ensure that crop insurance is improved in all parts of Canada, particularly in the Prairies. I hope the minister will hold consultations with his provincial counterparts in order to attain this goal.

Mr. Ritchie: Mr. Speaker, may I ask the hon. member a question? Would he not agree that the pay-out of PFAA, the very excessive intake over output, has in the past 30 years been confined to the last two or three years, and that had there not been PFAA another method of government support would have been necessary?

Mr. Douglas (Assiniboia): In reply to that question, I would suggest that in the last 30 years the pay-out has been greater than the take-in. The figures are to be found in the last two pages of the annual report. If the hon. member had read the annual report he would not have to ask me this question.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, a number of members of this House have contributed adequately to the debate on this bill, but I want to add a few ideas based on my experience with various forms of crop insurance as a practical farmer in the province of Saskatchewan and, more particularly, in the west central part of that province where for some time grain growing has been the principal industry.

I believe that in our area of Saskatchewan the PFAA has in the past served a beneficial purpose, but at present there is a considerable feeling among farmers that this act is out of date and we should have a different approach to crop insurance. I was in a farmers' study group a few years ago which discussed crop insurance, what it would cost us and how it would benefit us as individual producers. We considered the 1 per cent which we contributed to PFAA, and what we paid out in hail insurance. Then we considered what we received in the way of income from these various sources, and decided there should be a more adequate form of crop insurance to cover additional emergency situations.

• (3:30 p.m.)

It would be of advantage to us if there were insurance covering such situations. I am thinking specifically of hazards such as frost and grasshopper damage. We discovered that we were already paying a great deal of money to hail insurance companies but that we did not get a dime back unless our farms were hailed, and we could go a number of years without that happening. But, Mr. Speaker, it must be remembered that a hailstorm can wipe out a crop in 15 minutes and we cannot afford to be without some form of protection in this respect. In effect, I am suggesting a comprehensive plan adequate to cover all forms of crop disaster, which would be cheaper than the plan we have at the moment. At that time we wanted to go into crop insurance but found that the Saskatchewan government was dragging its feet. It did not want to expand crop insurance to western Saskatchewan. At that time it did not have its maps ready and it did not seem to be in a big hurry to get them ready so that we could participate. I am sure we would look at this matter again if we had a chance.

There is another problem with regard to PFAA in some parts of Saskatchewan. I am thinking more of the Melfort-Tisdale area which produces big crops, where the farmers contribute the 1 per cent levy but when harvest comes they may lose a 40-bushel crop because of wetness, snow, etc. Consequently, they are more interested in a complete form of coverage.

I would like to talk just briefly about changes in farming methods which have increased crop yields in many parts of the country, changes in better cropping procedures, in better grains, in the use of fertilizer, as a result of which the old maxima allowed under PFAA are no longer valid. I think the hon. member for Assiniboia (Mr. Douglas) and others have already made this point. I want to emphasize it because it is certainly true. It is now quite easy, even in a dry year, to get a 12-bushel crop. But we have to remember that our costs have risen considerably and that the $800 maximum payment does not have much relevance to the costs of production and cropping. At one time it did have relevance. As a recipi-

ent of PFAA payments in the past, I know they were a help to me, but I think we should now take a new look at what we need in crop insurance.

Insurance is a cost, whether it be crop insurance or income insurance, as the minister from Saskatoon is suggesting in his income stabilization plan. Mr. Speaker, I believe that our farmers over the last two years have not been in a position to afford additional costs. The bulk of the farmers in Saskatchewan have lost money over the past two years and do not want any further costs of operation. At the same time, they need protection against crop failure. Some of them took a chance in not taking out insurance, and paid painfully. We should consider insurance as a cost, and to cover it obviously we need a more adequate income. The difference between the cost of insurance and complete crop failure could be the difference between bankruptcy or ruin and a profitable operation, if the crop failure occurs at an awkward time in a farmer's career. I am thinking of young farmers who might owe a lot of money, and of older farmers who would not have time to recoup.

An insurance scheme for farm production is somewhat similar to unemployment insurance for labour and to other forms of income protection for other groups in society. In Saskatchewan, if the farmers have no money, the merchants have no money; and if the merchants have no money there will be a considerable amount of unemployment. We see this happening at the moment on the Prairies. It is essential that we look after the main industry there and stop some of the crazy fluctuations in farm income. I believe that an adequate form of crop insurance would help do this.

As a final comment, Mr. Speaker, I feel that some change in crop insurance must be considered, some change in stabilization of income, some change in PFAA or, if you will, some change in subsidies to agriculture. I would be quite willing to consider changes, but I am not anxious that we do away with PFAA or any other subsidy until we see how a new form of income protection will work. I do not believe the purpose of the debate on this bill is to discuss all these things, but while I had the opportunity, Mr. Speaker, I wanted to point out that things are not as satisfactory as they could be and that we should be taking a more extended look at the problem in connection with crop insurance and income insurance. We in this party support the principle involved in the bill and hope its passage will make farming more profitable.

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, I feel it is quite important that I take part in this discussion. I compliment the government for introducing this amendment; I think it is necessary. Undoubtedly, a number of other amendments must be introduced before crop insurance becomes a good, sound, working vehicle, although I doubt we will ever get it to that level throughout Canada. I realize that areas with different crops and different conditions means that crop insurance applies in different ways. Although I compliment the government for making an effort to come up with a workable plan, I can see that a lot of study still needs to be undertaken.

When I first started studying crop insurance when it was introduced in Saskatchewan back in 1961, I found out how difficult it would be to work in the area with which I was concerned. It was hard to get the support of the ratepayers behind it. The trouble was largely due to the existence of a great deal of submarginal land. Farmers on that land could not afford crop insurance. To prove my point I invite hon. members to consider the number of crop insurance participants in the northern part of Saskatchewan over the last few years. Their number has been so few that it has meant they have had difficulty paying the premiums. For this reason I do not believe we should scrap PFAA. I realize it is outdated, but fail to see any scheme that would replace it.

• (3:40 p.m.)

Of course, the maximum payment of $800, considering the present-day cost of operating a farm, is too low. That amount would have to be rectified. I realize that the collection method envisaged is far superior to one under which you have to collect premiums before the farmer puts in his crop. That, of course, would be utterly impossible. These days, $8 per acre does not go very far toward meeting the operating costs of a farm. Yet before scrapping the PFAA I think the scheme should be examined by the provincial governments and municipalities.

What happened to the Prairie Farm Assistance Act is more or less what happened to the Lift program. Far too much of the money was used in administration. A previous speaker noted that many people obtained assistance under the Prairie Farm Assistance Act who were not entitled to that assistance. Yet, if one looks back at the improvements introduced in respect of the PFAA, one will see that the legislation was made effective almost down to the level of the individual farmer. It was effective at the level of the township and was made effective almost at the level of the individual farmer. I think that more could have been done along that line. I believe a great deal more could be done, through co-operation among provincial governments and municipalities, to improve the concept of crop insurance. I am the last one to throw cold water on the idea. I realize that in many parts of Canada this program will work satisfactorily, especially when it covers root crops and similar crops. It will benefit many farmers of western Canada especially.

Much money is paid out in hail insurance premiums alone, yet hail is only one of the hazards farmers face. There are many other hazards. Besides hail, a farmer might face frost difficulties, drought, flooding, insect damage and many other hazards. This concept began with the Prairie Farm Assistance Act, and so far I do not think we have come up with anything that looks better in the part of the country that concerns me.

I realize that the PFAA provisions are obsolete. We ought to brush up the legislation and give our farmers a better form of insurance coverage. This holds true especially for the farmers in the northern part of Saskatchewan. Let us look at the method of collection. I submit that premiums cannot be collected as cheaply as they can under PFAA. If farmers do not object to the 1 per cent

increase, perhaps there will be available to them better insurance coverage and better compensation in the event of crop failure. I think the government should not hesitate to consider these matters.

I realize that of necessity many amendments must be introduced to the crop insurance plan in order to make it a workable program throughout Canada. Nevertheless, I hope the government will take a good look at the Prairie Farm Assistance Act and make it a more workable vehicle. I believe that is possible. That also would give the farmer insurance against many forms of pests. The compensation paid in the event of total crop failure should be much larger than the present maximum of $800 under the act. Despite its shortcomings, we should not condemn it too hastily. It has served a great and useful purpose down through the years. In these days of skyrocketing farm costs, perhaps it is not quite so useful. The maximum amount of compensation a farmer can receive should be revised. I am all for taking a good look at the PFAA before throwing it completely out of the window.

I do not wish to throw cold water on the idea of crop insurance, because I think that in many parts of Canada it will work. Having looked at some statistics, I have noted that the cost of administration in Saskatchewan in the period 1968-69 was $172,015, while premiums paid were only $559,837. If one looks at these figures, one will realize that crop insurance is not the only vehicle that will work in my part of the country.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I should like to take part in this debate and say that the party I represent supports the extention of coverage outlined in this bill. Not many farmers of the province of British Columbia participate in the crop insurance program. I notice that we are distinguished by having almost the smallest number of contracts, 876 to be exact, and by being burdened by far the highest administrative costs. That factor is probably inversely related to the small percentage of farmers who take out contracts in British Columbia. We must, therefore, look for the reasons why more people are not taking advantage of the program.

I am sure that anyone who has lived, as I have, in two principal agricultural areas of British Columbia, the Okanagan and the riding I represent, Fraser Valley, knows full well that there have been very difficult periods for farmers during the past 25 years. Despite these difficult years during the past quarter century, it seems odd that so few farmers—only 876—in British Columbia have taken advantage of this scheme. Something must lurk behind that small figure. Perhaps we should examine some of these factors. It is not because there have been no agricultural disasters during that time. There was, of course, the 1948 flood which inundated the Fraser Valley. In the Okanagan a freeze of the fruit crop occurred in 1949, 1950, 1955, 1965 and 1969. Three years ago in my riding we saw a particularly severe kill in the strawberry fields and plantations.

We therefore support the extended kind of coverage which the two clauses central to this amending legislation provide. Crop insurance is a device, as is marketing legislation, on the part of legislators to take some of the risk out of that particularly risky business known as agriculture. Those who have sat in this House for the past three years have heard members who represent farming communities emphasize how hazardous and often unrewarding that business really is. I should, therefore, like to note, as set out in the 1969-70 annual report which relates to the Crop Insurance Act and is submitted by the minister, that 1969 was a particularly hazardous year in British Columbia. I read that the indemnities for 1968, expressed as a percentage of the coverage, were 13.22 per cent, while the figure for 1969 reached the whopping level of 42.61 per cent.

• (3:50 p.m.)

This increase in pay-out is due largely to problems in the grain industries in British Columbia's Peace River area and the Okanagan fruit crop damage of that year. We can see that such large pay-outs make substantial inroads into the stabilization fund which, incidentally, was established in British Columbia in 1967 with the sum of $5 million. Because of a pay-out of almost $500,000 in 1969, the fund contains approximately $4.75 million today. Therefore, the fund is down somewhat. That is not unusual. The report emphasizes that this has been the case in most areas. It is more pronounced, however, in some other parts of Canada.

In my constituency the strawberry crop suffers the greatest hazard. Strawberries have suffered some severe years, depending on the nature of the winter. It is notable that the large growers are the ones most likely to take advantage of crop insurance. The smaller growers, in contrast, those who need the crop insurance most, do not have this coverage. They are not able to take advantage of the protection that this legislation provides, perhaps because they are operating on marginal financial levels. The premium cost of roughly 7 per cent of their coverage is perhaps close to their normal profit margin. While they vitally need protection, they cannot afford the premiums. I think the hon. member for Battleford-Kindersley (Mr. Thomson) referred to this situation in connection with the grain industry. A similar anomaly prevails in my constituency.

Commodities such as strawberries and other small, soft fruits and vegetables are not planted in large enough acreages in various parts of Canada and they are grown in widely separated regions. Some can only be grown, in the temperate parts of Canada such as the Niagara Peninsula, the Annapolis Valley in Nova Scotia and portions of British Columbia. As the act is administered by individual provinces, the acreages provide too small a base if each commodity is considered separately province by province.

The British Columbia Federation of Agriculture recommended to the task force on agriculture that certain commodities should be considered nationally for the purpose of crop insurance. A larger base would thus be provided. There would be lower administrative costs, and greater stability in the industry would result, because disasters do not usually occur in all regions of Canada in one year. As a result, the premiums could be lower. Those people who need it most might then be encouraged to buy the crop insurance at lower premiums. I hope the minister will consider and accept this suggestion.

There may be some problems of administration that I have not visualized, and I am not the originator of the suggestion. However, it seems reasonable in view of the fact that those who really need this coverage are not able to take advantage of it. There is not much use having legislation which provides protection, if the protection is inaccessible.

Another point I wish to make concerns the five-year averaging for maximum coverage limits for tree fruits. This applies mainly to the Okanagan Valley where I lived for a number of years. The years 1965 and 1969 were extremely difficult in the tree fruit industry in the Okanagan. The maximum limits for coverage are based on a percentage of the five-year production average. If 1965 and 1969 were included in the five-year average, the maximum limit on the amount of protection that a farmer could purchase under this legislation would be necessarily limited. It does not take a genius to see how including two poor years in five works against the kind of insurance protection needed by the orchardists. I ask the minister to review this policy so that five more normal years could be used to determine a maximum coverage limit. The present policy makes it particularly difficult, also for those people starting production with new orchards. When a new enterprise is commenced, it is expected that there will be low yields for a great many years because the orchard needs years to mature.

The strawberry farmers in my constituency have suffered some severe years. A number of them have applied to the processors asking for an agreement with the processors to buy all the production for the lifetime of a particular patch. We can understand why the farmers want this agreement. They want this assurance because it provides stability. The processors are not very sympathetic to this proposal. The processors are faced with a glut. This is not because there is no demand for their production, whether it is canned, jam or frozen. The state of our economy is in such a disastrous condition that there is no purchasing power to fulfil the demand. It is not caused by any lack of demand. People are not in an economic position to purchase the products of the producer. Everyone is being hurt by present economic policies.

I hope the minister will use his great weight and influence on other members of the cabinet to initiate policies to help the economy and get us out of our self-induced economic slump. In this way there will be greater purchasing power. The production of the farm, forest and other industries will then have a better chance of being marketed.

Mr. McCutcheon: Mr. Speaker the legislation before us is very important. Normally I am very brief in my remarks in the House. However, under the circumstances I wonder whether I might have the privilege of calling it four o'clock and contributing to the debate at a later time.

The Acting Speaker (Mr. Laniel): Order, please. It being four o'clock p.m., the House will now proceed to the consideration of private members' business, namely, notices of motions.

Environmental Pollution

PRIVATE MEMBERS' MOTIONS

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, there have been discussions through what are described as usual channels. I think there might be a disposition on the part of hon. members to proceed to motion No. 23 which stands on the Order Paper. The preceding ones will stand.

Mr. Knowles (Winnipeg North Centre): And retain their position.

Mr. Francis: And retain their position, Mr. Speaker.

The Acting Speaker (Mr. Laniel): Is it agreed that all motions preceding No. 23 shall stand?

Some hon. Members: Agreed.

* * *

ENVIRONMENTAL AFFAIRS

SUGGESTED SETTING UP OF AGENCY TO DETERMINE DEGREE OF ENVIRONMENTAL POLLUTION AND ITS EFFECTS UPON HUMANS, ETC.

Hon. J. A. MacLean (Malpèque) moved:

That, in the opinion of this House, the government should consider setting up, in co-operation with the provinces, an institute of human environmental studies to determine among other matters (a) the degree of air, soil, water and noise pollution the human species can tolerate without serious effects on physical and mental health (b) the type of environment which stimulates the most desirable qualities of physical and mental health in the human species (c) the type of national development which would give satisfactory environment to the greatest possible number of Canadians, and (d) the minimum of modifications to the present-day indiscriminate and largely unplanned growth of our metropolitan areas necessary to put within reach of the inhabitants of these areas a quality of environment which would provide (i) adequate housing (ii) adequate recreational facilities, including parkland, and (iii) adequate social infrastructure such as transportation, education, hospital and recreational facilities.

He said: Mr. Speaker, I welcome the opportunity to initiate this one-hour debate on a very important general subject. I do so because I believe the general subject is of immense importance with regard to the type of environment in which future generations of Canadians will live. This is a subject which has application not only to Canada but to other parts of the world.

• (4:00 p.m.)

I am one who believes that a representative of the people at any level of government has the heavy responsibility of doing his share to ensure that the inheritance this generation hands on to future generations of Canadians is the best possible, not only in terms of material things but in terms of spiritual, moral and cultural values. It is well to ask what kind of heritage this generation is about to pass on to future generations of Canadians. I think I can do no better than quote briefly from the opening remarks made at the opening of the federal-provincial conference on housing and urban

development in 1967 by the Prime Minister of that day. Right Hon. Lester B. Pearson said this:

> The organization, structure and amenities of our cities already have far-reaching implications affecting the opportunity of Canadians to enjoy a good life.
>
> The need to improve access for the individual and the family to this opportunity in our urban environment has become one of the most urgent challenges confronting every level of government in this country.
>
> The broad facts and forecasts about urban growth are well known to all of us.
>
> Almost three-quarters of our population now live in cities and towns.
>
> By 1980 nearly two-thirds of all Canadians will live in 29 major urban communities; one-third will live in Montreal, Toronto or Vancouver.
>
> At least 500,000 acres of new land, including much of our best farm land, will be needed to accommodate the physical expansion of these 29 urban centres by 1980; three or four times that much if we don't make more efficient use of land in the future.

This, briefly, is a forecast of what is to happen with regard to urbanization in Canada during the present decade. I do not believe it is necessary for Canadians to sit by and allow these things to take place in an unplanned and unorganized fashion. After all, cities were invented thousands of years ago because of the conditions of those days. They obviously offered an advantage as far as communication was concerned when communication was by word of mouth or writing only. Transportation was by muscle power only. So a city in those days had an advantage as compared with dispersed settlements. Then there was the matter of defence—one could be relatively safe inside the walls of a city in those days.

All these considerations are now on the debit side of the ledger. Large cities complicate the process of transportation. Today, instantaneous communication can be established with any area, no matter how remote it might be. I had the experience of sitting in my own living-room and watching a man set foot on the moon, and I live in a relatively remote part of Canada—indeed, it is so remote that 50 years ago it took a whole day before the majority of the local inhabitants were informed that the first world war had ended. This illustrates the dramatic change which has come about in communications during a relatively short time.

Urbanization on the scale presently contemplated ignores the fact that man is part of the balance of nature. Very high concentrations of human beings give off pollutants, and in a modern civilization the amount of pollutants given off is larger per capita than it used to be. The amount of pollutants given off is so high and in such concentration that it cannot be assimilated or purified by the processes of nature. Water, soil and air pollution result, to say nothing of pollution by noise. Many of our unplanned, rapidly growing cities are, if you will pardon the malodorous pun, committing "sewercide."

I believe there is an optimum size for cities. I do not know what it is, but I have the notion than many of our larger Canadian cities have probably passed that size already. For a city to boast that it is the most rapidly growing unplanned community in the world is like someone saying he has the fastest growing cancer in town. It is nothing to be proud of, in my judgment. The time has come when we should be astute enough to recognize that size is not a measure of quality, that because a thing is big it does not necessarily follow that it is better. The dinosaurs found that out, and they are now extinct.

Some of our cities are already collapsing under their own weight, from an economic and administrative point of view. The cost of establishing such necessary facilities as schools is now so high as to be almost unbearable, with the result that the provinces have to subsidize the cities and the federal government has, in turn, to subsidize the provinces. People living in smaller communities and in rural areas are in fact subsidizing those who live in the larger urban areas.

A great deal of work needs to be done to establish not only the optimum size of urban communities but also the best environment for people to live in. It does not follow that the best environment for people is the most comfortable one. If this were so, one would have to conclude that animals in a zoo were the happiest: after all, they have the equivalent of three square meals a day and all sorts of security. But anyone who knows anything about zoology realizes that animals are best in their natural environment. Environment does, of course, affect human beings as well, and we may be totally unaware of some of these effects.

• (4:10 p.m.)

I believe we are not fully aware of all the effects overcrowding and stress have on human beings, either from a psychological or from a physiological point of view. There is statistical evidence, in growing amounts, which would seem to indicate there is an effect. For example, the impact of crime seems to be highest in urban centres. Drug use seems to be highest in urban centres. We seem to have the highest rate of emotional instability in urban centres, especially where they contain slums and poor environments; and we have the reasoned phenomenon of riots, protests and urban guerrillas. Indeed, it could be argued that civilizations of the past collapsed after they became urbanized to an extreme extent.

What has to be done about this is an important question. Cities are the creatures of the provinces, but if we become a highly urbanized country this will be a federal problem, as it is now. There is divided jurisdiction and, of course, this complicates the matter. I believe that urgent, joint action is required in this matter. I recognize at once that at the federal-provincial conference on housing and urban development in December 1967, the Prime Minister of that day made the following suggestion:

> Before we can make any real progress toward an improvement in our urban environment, we must first improve the planning of that environment.
>
> The need for such improved planning has already been widely recognized.
>
> To help meet this need, I would like to propose the establishment, jointly by the federal and provincial governments of a council on housing and urban development whose functions, generally, would be to gather and publish comprehensive, objective, and regular assessments of housing and urban development

needs across the country; to suggest priorities of need and plans to meet them.

The federal government is prepared to participate at once in the establishment and maintenance of such a continuing council.

As I envisage it, the council would comprise members drawn from a broad range of skills and experience in this field and appointed in a manner agreed to by the provincial and federal governments.

As far as I am aware, Mr. Speaker, nothing came of that suggestion, although I think it is one of the few good ideas the previous Prime Minister had. I think it deserved a better fate than it has had. We might, perhaps, turn for guidance to things that are being done in other countries. In France, for example, just recently their Prime Minister issued, in the official bulletin, a decree establishing an environmental committee. This committee will be dealing with problems of improvement of living space, crowding, pollution and nuisances of all kinds, management of the landscape and, in general, all the positive and negative elements involved with man and his environment.

I read also that the University of Quebec has set up the Institut National de la Recherche Scientifique. The University of Quebec has announced the establishment of the Centre de Recherches Urbaines et Regionales. The centre will focus on the problems of spatial, economic, social and political reorganizations caused by increasing urbanization, and on the search for solutions. The creation of this is very close to the basic idea contained in my resolution. I commend the University of Quebec for setting this up and suggest that the government should carefully study the possibility of giving a grant to that institution to help in its research.

Certainly we have to find out many presently unknown facts. What is the best environment and how can it be achieved, if it is within our means! What is the best design for an environment which will minimize pollution and minimize the tremendous wasted effort that Canadians put forth every day of the problem of getting to their jobs from their homes in our urban centres? What are the effects of stress? How can we provide most efficiently, and at the most reasonable cost, the social infrastructure that is needed for the good life—schools, parks, churches and everything that goes to make a well-rounded and balanced life? How do we provide recreation and even solitude for millions of Canadians? There are forces that cause crowding. People seem to crowd into our large cities in droves. The larger the city, the more they crowd in, like lemmings going over the cliff. They do not know why they do this. I do not believe they do this by choice but because of economic forces.

I believe in free enterprise and I am a free enterpriser, but I do not believe in unrestricted and perhaps unwarranted licence to free enterprise to haphazardly and unthinkingly determine by accident the structure of our country's future. I believe that an ounce of prevention is worth a pound of cure. I do not think it is good enough for business to determine where it is to be located, creating primary jobs and also creating additional jobs by the multiplier effect of service employment in an area simply on the basis of a balance-sheet of that particular company as related to where the greatest market will be.

I believe that a method must be found to relate the location of primary employment to where it would serve the best general interest of the country. I do not think it is good enough for business to locate in certain places without having any requirement to give consideration to the problems that location creates in the way of pollution of air, water and soil, or any consideration to where workers will live, the cost of the land where they will live, how they are to be transported from their jobs to their homes, what level of government, at what cost, will provide new schools, churches, parks, roads, sewage disposal, and so on.

Business should not be allowed to locate without any consideration to the tax burden involved. I believe a tax structure could be adjusted to reflect the total burden of governments at all levels which the presence of any business which provides employment would create. If this were done, and if this relationship between the problems were created and the location reflected in the tax structure, I think the population increase would be attracted to areas of our country where its presence would be an asset and not a liability in the over-all sense. This would help us create a country which we can hand on with pride to future generations.

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, at the outset I should like to say that I rise not to kill the motion but to praise it and the hon. member who brought it to the attention of the House this afternoon. On first reading the motion now before us one may be led to believe that this is a wonderful new proposition the hon. member for Malpeque (Mr. MacLean) has put before the House. As he carefully pointed out, such a proposition was made years ago.

I think all hon. members will recognize that the various components of a proposed institute of human environmental studies already exists, but in a somewhat disorganized way at this stage. By that I mean we already have a hard core of expertise, research facilities and probably enough accumulated data to launch such an institute to incorporate these various elements under one roof, so to speak. What has been wrong up to now is the lack of organization and orientation of policies, standards, aims and the confusion over the sometimes abundance of methods to attain our goals. We have the talent and the potential. What has been lacking until very recently has been a sense of direction. Finally, we seem to know what we want and seem to be prepared to pay the price.

• (4:20 p.m.)

I am pleased to speak to the motion of the hon. member for Malpeque. Once again I should like to congratulate him very sincerely for his excellent presentation. Among matters contained in the hon. member's motion which are of particular concern to me, and I am sure to other hon. members, is that of the government considering setting up, in co-operation with the provinces, an institute of

human environmental studies. The proposed activities of this institute would relate to tolerance levels and the effect on the general well-being of the human species. I take this to refer to all humans, but to Canadians in particular, and to air, soil, water and noise pollution in our environment.

First, I should like to deal briefly with the subject of pollution control agencies and the responsibilities and efforts of my government in the all-out fight against pollution of our environment. The hon. member for Malpeque will recall that the need for urgent, assertive federal action was outlined in the Speech from the Throne on October 9, 1970. It proposed the establishment of a new department of the environment which would be responsible for the principal government activities relation to environmental quality in general and pollution in particular.

I might add that legislation was introduced in this House before Christmas to provide for the establishment of this new department which would have the principal tools with which to lead the fight against pollution of all kinds and to help co-ordinate the efforts of others. At or about the same time, the Science Council of Canada presented its ninth report which it aptly entitled "This Land is Their Land". In the introduction of the report we find this passage:

> Fish and wildlife are important in Canada's future. As resources of economic value, they will contribute significantly to the national income of Canada. As vertebrate animals, they are man's closest biological relatives, which brings a feeling of kinship and affection for them. As barometers of environment, they will reflect the virtues and evils of good and bad management of air, land and water resources. The interdependence of human and animal populations and the mutual need for appropriately rewarding places to carry on their daily lives require consideration of fish and wildlife populations in the context of the environment aspired to by mankind. Thus, for economic, social and aesthetic reasons, the protection and enhancement of fish and wildlife are synonymous with the development of our environment.
>
> In this spirit, a stable and healthy environment of high ecological quality, maintained over the long term, should be defined as a new national goal.

Co-operation with our provincial governments is essential to effectively carry out the fight against pollution of our environment under the responsibility of the new department and for the enhancement of our quality of life in general. This fight against pollution is far beyond the capacity of one minister and his department. It cannot even be effectively waged by the federal government alone, by provinces individually or even just by Canada: the fight must be waged by all departments of all governments and all people of all nations. In setting up this new department the government is determined to seek and obtain the present and future co-operation of all provincial departments and agencies concerned with pollution and the quality of life in general. There are actually too many pollution control agencies working independently of each other at the present time. Sometimes their individual goals and standards vary too much.

The necessity of dealing with many independent agencies can lead to conflict and confusion. The setting up of an institute of human environmental studies, therefore, would add to the confusion involved in dealing with more agencies. In addition, one must remember that the responsibility in respect of the enhancement of the quality of our environment is a responsibility of the government and not of a separate institute. However, in co-ordinating the efforts of government in pollution control there may be a need for a national environmental council which would look at the international as well as the national scene. Such a council could anticipate problems of a technical nature and warn us against unnecessary trade-offs between cost-cutting industry on the one hand and the protection of all kinds of life on the other.

This government already has the National Economic Council which tells us what the economic trends are. It suggests broad policies to deal with these trends. A national environmental council, looking with particular concern at our living resources, could do likewise. Furthermore, the following was specifically recommended by the Science Council of Canada in its October Report:

> The achievement of specific goals in fisheries and wildlife is completely dependent on the existence of national goals which reflect a strong component of environmental awareness. In large measure, all other aspects of fisheries and wildlife science are subordinate to this central theme. In consequence, a major step in planning for the future would be the creation of a non-political organization sponsored by the government which would have, as its basic role, the provision to the public of facts about their environment, upon which they may base adequate value judgments.
>
> The cost of sacrificing even immediate material welfare for a quality environment may not be high, but if it is, Canadians deserve to have the facts and the chance to make their choice.
>
> The structure of the organization is a prerogative of the government; however, an independent Crown corporation, with a directorate representative of environmental interests and a small professional staff, is suggested. A suitable name for such an organization might be the Environmental Council of Canada.

• (4:30 p.m.)

At the constitutional conference held on September 14 and 15 of 1970, the subject of environmental management was considered and the problem of pollution of our environment was identified as one of the most pressing and serious issues facing the people and governments of Canada today, and one that will assume increasing dimensions in the future. It was made clear by the first ministers during these constitutional discussions on the problems of environmental management that the federal and provincial governments would continue to act co-operatively and to implement co-ordinated programs of environmental management under the present constitutional arrangements.

In addition, the Canadian Council of Resource Ministers agreed that the development of common approaches to environmental management depends on good communication and a substantial body of common ground understanding. It is important that in addition to an intergovernmental forum there should be an interchange of ideas among senior personnel of all governments. It was recommended that the council make arrangements for a working conference for the purpose of obtaining a full-scale exploration of problems of the environment, to determine the components, the alternatives available and their implications. With all the federal activity in human environmental studies and the pollution control of our

environment, in co-operation with provincial activity, the picture seems promising. The tolerance levels of pollution and its effects on the general well-being of humans is naturally included in this activity.

I would like now to speak briefly on the various types of pollution in our environment and outline government activities in dealing with them. These activities are indirectly aimed at detecting human tolerance levels of pollution that will not seriously affect their physical and mental health and, at the same time, obtaining the type of environment to stimulate physical as well as mental health. Hon. members know that the government has been active and will continue to be active in investigating air pollution. The government is already drafting legislation for a clean air bill that Parliament will be asked to consider in the current session. My minister will again consult with provincial authorities on this very matter next week. Discussions have been and will continue to be held with the provinces on the matter of air pollution, and our technical experts are working on regulations related to the control of atmospheric pollution. The question of air pollution will be one of my minister's major concerns in his responsibilities for the environment. Much research and monitoring is being done by our Department of Agriculture, our Department of National Health and Welfare and other government agencies on soil pollution, that is, the determination of pesticide residues, and so on, in soils.

The government, as well, is doing much in the field of water pollution abatement. National effluent standards are being developed at the present time which will deal in specific terms with pollutants in the effluent of any industry. These standards will be part of the amended Fisheries Act which was passed by Parliament during the last session. Development of these strict national standards that all industry, both new and existing plants, will have to meet will result in a cleaner and better environment.

Under the provision of the Canada Water Act, and in agreement with the province in question, an area could be designated as a water quality management area. Pollution of waters in such a designated area would be punishable by a fine up to $5,000 for each offence. Each day this pollution continued, it would be regarded as a separate offence. Under the provisions, no industry, new or old, could afford not to have pollution abatement facilities that are the most up-to-date that modern technology can provide.

The problem of noise pollution, which is also referred to in the hon. member's motion, as it affects the physical and mental health of humans as well as other species is receiving much more attention as each day passes. The federal Department of Transport has much to do with the control of noise abatement regulations with regard to commercial transportation, that is, noise abatement regulations at commercial airports, for example. Many municipalities, cities and towns in our provinces have strict regulations concerning excessive noise pollution. In addition, research is being carried out to determine the degree of noise that the human eardrum can withstand without damage.

In the all-out fight against pollution in order to preserve and enhance the quality of our environment, we must clearly identify the various pollutants to be able to develop the expertise to deal with them effectively. I would like to refer once more to the 1970 report of the Science Council of Canada. The conclusion of that report has some sense of urgency. It reads as follows:

> High priority should be given to the formation of an environmental council of Canada. It would give immediate tangible evidence that a growing public concern was being recognized in government. It would ensure an early start on assessment of environmental problems before they become a major national backache.

In conclusion, I would like to remind all hon. members of the government's awareness of and concern for the necessity of providing the best possible environment for all the men, women and children of Canada. I know that my minister believes that shaping our environment is the biggest challenge we face in the seventies. I am sure that all hon. members share his concern.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I would like to speak briefly on the interesting motion which the hon. member for Malpeque (Mr. MacLean) has placed before the House. I say at the outset that I endorse the idea of setting up an institute of human environmental studies. I think such a body is vitally needed in this day and age in our fight against the over-all pollution problem facing not only this nation but every nation in the world. I certainly endorse the principle of this motion.

• (4:40 p.m.)

I feel there is urgent need today for adequate research into the effects of environmental pollution on the health and well-being of the human species. Studies along the lines suggested by the motion are preventive in nature. They would be of tremendous value both in the treatment of those who suffer ill-health through avoidable environmental problems and also in the setting of standards in every field so that our citizens would not be subject to health hazards from these avoidable environmental problems.

To date, environmental problems have been caused primarily because this type of pollution has been almost totally ignored in the planning and exploitation of our resources and in the industrial development which has sprung up without adequate controls being placed upon it. Today, despite the urgency of the pollution problems in the world environment, we still find that most countries, including our own, are ignoring many of the basic pollution problems facing them.

Only yesterday the Secretary of State for External Affairs (Mr. Sharp) tabled a report dealing with the grave pollution problem of Lake Erie and Lake Ontario. We find that these pollution problems have been caused because for the past 60 or 70 years pollution has been ignored by the nation, not because we have not had regulations in our laws and treaties but because the regulations have not been observed. Only yesterday we talked about Lake Erie, which comes under the boundary waters treaty of 1909, in which it is clearly set out that

neither Canada nor the U.S. are to pollute the Great Lakes' system. It is a rather sad commentary on the present and past governments that legislation affecting our environment has been allowed to lie dormant on the statute books, with no action being taken by the United States or Canada to try to end pollution problems. I wish to point out to hon. members that we have a host of legislation on our statute books—as does our neighbour across the forty-ninth parallel—under which, if action had been taken, we would not be facing the pollution problems we are talking about this afternoon.

The motion is extremely wide in scope, Mr. Speaker, and I intend to deal only with one or two aspects of it. I do not intend to talk it out. I hope we will be able to have a vote on it this afternoon and that it will pass, so we may set up an institute of human environmental studies. I believe that one of the keys to the solution of pollution problems has to do with population growth. This is something that should be rather simple for nations to understand, yet we have ignored population growth control because it is a question which might upset groups of people politically. If over the next 30 years we are able to cut pollution in half, but the population of the world doubles, we will end up having just as much pollution in the world as we have now. It seems to me that governments are not paying attention to this matter, outside the efforts of the United Nations.

We must sit down, study, determine and chart the paths that we feel this and other countries should travel. There is another aspect to this population growth matter. If the population of the world doubles within the next 30 years, the need for resources will also double. Then we get down to the basic problem of resource planning. Mr. Speaker, what has been done by the government of Canada and by the governments of other countries in the field of resource planning?

We have done precious little planning in Canada. People who have spent much time studying the problem have indicated that if all the resources of the world could be dug up and used within the next few years, the present population of the world would never reach the living standards that we Canadians presently enjoy. That is a disturbing aspect of the over-all picture so far as resources and pollution are concerned.

Dealing with the question of raw materials, we have not yet made a survey to determine how much iron ore Canada will need in the year 2000, and how much of the various other types of minerals we will require for domestic use. Government departments have not yet determined how much of the raw material we have already taken from the earth and turned into manufactured goods can be re-used and recycled. All this is part of the pollution problem. The recycling of minerals and other materials which we have used once, and which can be used again, is something that would help combat pollution. Governments, industries and individuals should examine this matter. I suggest it will only be a matter of time before we are forced to undertake a tremendous amount of re-use and recycling of our resources, resources which the nations of the world are presently wasting. I have been told that we would not need another pulp mill in Canada for a number of years if we re-used the paper and paper products which we currently waste. We should be researching and taking action along these lines in order to find out just what we can do to cut down pollution which arises, for example, when we get rid of paper by burning it.

• (4:50 p.m.)

There are two or three more points I should like to speak about briefly before sitting down. We are talking about the pollution difficulties facing Canada. The Parliamentary Secretary has just spoken, and I enjoyed his speech very much. He is to be involved with a new department relating to the environment. Although that will be a step forward, I do not think it goes far enough; I do not think the responsibilities of the department will be wide enough to handle all the pollution problems of Canada. He indicated the steps the government was taking, but here we are in January, 1971, and land use regulations have not been introduced. Half of our country consists of the northern part of Canada where a great deal of oil and mineral exploration is going on. Today there are no land use regulations laid down by the government for the direction and control of development in this vast area. Is that modern thinking? No. This is stupidity of the worst kind.

Indications have come from the minister that we are to see such land use regulations next month. Nevertheless, for years this type of development has been going on unregulated and we now find that vast areas of our great north are being destroyed. The people of Canada for hundreds of years to come will pay the penalty because governments of the 1970s did not have the vision to lay down these regulations and make certain that industries and organizations developing and exploiting our resources did so under conditions which are considered safe. Great disasters have occurred in the north. Recently a most disastrous fire broke out which is still burning. Over 4 billion cubic feet of gas have been destroyed. In the drilling of the well concerned, the regulations were broken. We need land use regulations and we need many of them.

Other members have mentioned noise pollution. I have spoken briefly on the need for research into the sonic boom from supersonic transport aircraft. The minister has indicated that such research projects are under way. This is all to the good. As this motion very ably points out, noise as well as other types of air pollution produces a detrimental effect on the quality of the lives of Canadian citizens and the citizens of other countries. The motion asks the government to set up the new department already mentioned.

I urge members of this House to vote in favour of the motion this afternoon and, if necessary, to refer it to the appropriate committee in order to define the type of environmental agency which should be set up. Our constituents have entrusted us with the task of coming to this House of Commons and dealing with pollution. Not only must we try to save the lives of the people of our own country but we must help in the fight against pollution which threatens the existence of mankind. I urge hon. members to vote for the motion we are debating.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, unhappily, because of the manner in which members are recognized in this House, it is not always possible for one to speak until it is almost time to adjourn. The hon. member who preceded me made much of the fact that he did not want to talk this motion out, and then talked for 17 minutes. Other members who wish to speak, therefore have only two or three minutes left in which to put their point of view forward.

Mr. Skoberg: Why not refer the subject matter of this motion to a committee?

Mr. Cullen: I feel that not only is this motion interesting, as the previous speaker said, but that it is too all-encompassing. I congratulate the hon. member for Malpeque (Mr. MacLean) for introducing the motion. It is the particular responsibility of Members of Parliament and those members who sit here in a governing capacity to keep the spotlight of publicity on this problem which pervades every area of Canada, whether it be on the land, the sea, our inland waters or our air. When there are no opportunities for members to speak about pollution, I think they are under an obligation to do what is obvious and bootleg their comments, so to speak, wherever it is possible for them to do so, into other speeches they might make, in order to keep this area of concern very much before the public and the press.

I am not certain that we need an environmental study at this time. My reason for being somewhat loth to support the motion at this time is that governments and industries may use such study as one more excuse for failing to take action. There is no point in a study being made unless we can convince governments, industry and the Canadian citizen that this is simply a study, that everyone has a responsibility in this matter, that the point of a study of the environment is really to suggest standards and that, once set, we should try to meet those standards. Frankly, I wonder whether we need one more study or whether we need more action.

The federal government has long since recognized its responsibility in the field of pollution, and now there are five ministries responsible for dealing with the matter. I wish we could have a special minister whose responsibility would be the control of pollution. I would hope that polluters in Canada would look upon that minister as the sinister minister. I hope they would be afraid of such a minister. I hope that they would know that the minister and his officials were looking over their shoulders.

The minister and his officials, as I say, will be responsible for the control of the environment.

Mr. Knowles (Winnipeg North Centre): At present the cabinet is full of sinister ministers.

Mr. Cullen: If I may be parochial for a moment, Mr. Speaker, may I say that in the Sarnia-Lambton area we have the Lambton Industrial Society, an organization set up by industries to look into the pollution problems of the area and to try to work with industry in the solution of pollution difficulties. In the area we have pollution alerts. The society presents films to the general public to make people aware of where the problems lie. Those films show what industry is doing. Our concern has reached the stage that valuable advertising time, either during or immediately after "Hockey Night in Canada", is used by one industry to point out what steps it is taking to control pollution in its area.

Mr. Deputy Speaker: Order, please. The hour set aside for the consideration of private members' business has now expired.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I wonder if any member on the government side can tell the House whether we will be considering the budget on Monday as well as on Tuesday, so that those of us who wish to make speeches can go to our retreats during the weekend and prepare them. If the government will not listen to that reasonable request, perhaps we might be told what we are to consider on Tuesday.

Mr. Francis: Mr. Speaker, it is my understanding that there is a definite agreement for the budget to be considered on Monday. It is also my understanding that there will be discussions with the representatives of the various parties on Monday as to whether that debate is to be continued on Tuesday. Following the budget discussion, I understand there will be a resumption of the order of business previously indicated.

At five o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, January 18, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

INFORMATION CANADA

EXHIBITION BRANCH DISMISSALS AND DEMOTIONS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave of the House to present a motion under Standing Order 43. My motion deals with a matter which I believe the House would like to have referred to the appropriate committee. I have tried to word the motion without incorporating any adjectives or argument in it. It relates to the announcement that some 15 public servants are to be dismissed from the exhibition branch of Information Canada, and another seven or so demoted, despite the fact that these people have obtained world recognition for the job they have done for Canada, their most recent achievements being at Expo '70.

Therefore I move, seconded by the hon. member for Comox-Alberni (Mr. Barnett):

That the proposed dismissal of some 15 public servants, and the proposed demotion of several others, by the exhibition branch of Information Canada, be referred to the Standing Committee on Miscellaneous Estimates for consideration and report, and that the said committee be asked to make its report to the House not later than February 1, 1971.

• (2:10 p.m.)

The reason for suggesting that committee, Mr. Speaker, is that it is the committee to which matters relating to Information Canada and also matters relating to the Treasury Board are usually referred. We suggest no debate, and we hope the House will accept the motion.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Winnipeg North Centre. This motion requires unanimous consent. Is there unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

23786—16½

Mr. Speaker: There is no unanimous agreement and therefore the motion cannot be put.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

DARTMOUTH PUBLIC WHARF

Question No. 126—**Mr. Forrestall:**

1. Who owns the ships now tied up at the condemned Dartmouth Public Wharf?

2. If privately owned, what revenues are being received by the government and how long will they be there?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The National Harbours Board advises as follows: 1. The Dartmouth Public Wharf is restricted to the berthing of lay-by vessels due to its surface. Each of the following companies has one vessel using the facility; Shaw Steamships Co., Atlantic Salvage Co., and J. P. Porter.

2. Shaw Steamship Co. are paying $50 a month as per Board Minute. Vessel is there all year except during seal hunting season. Atlantic Salvage Co.: Vessel to be sold or dismantled and will remain alongside awaiting such action at $50 a month. J. P. Porter: This is an old ferry boat, previously used in P.E.I.; it has left this wharf and is currently being used in the filling operation at Pier "C". When this work is completed the vessel will return to Dartmouth to be converted into a barge. Charges are $300 per month, due to larger size of vessel. During the utilization of this vessel at Pier "C" no charges are made because it is then considered as part of the contractor's equipment.

STUDY OF AVIATION TRAFFIC IN ATLANTIC CANADA

Question No. 231—**Mr. McCleave:**

1. Has a study by Professor A. M. Stevens and F. R. Wilson been completed of aviation traffic in Atlantic Canada, as commissioned by the Department of Transport and, if so, what are its recommendations?

2. What is the cost of the study?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. Yes. The final report is being reviewed by the Department and it is hoped it will be possible to make a decision as to its disposition before the end of January.

2. The total cost of the study was $57,000.

Questions

INDIAN ASSOCIATION OF ALBERTA PRESENTATION "RED PAPER"

Question No. 260—**Mr. Howard (Skeena):**

1. Did the Department of Indian Affairs and Northern Development make any arrangements to print or otherwise reproduce the transcript of any proceedings relating to a presentation made in 1970 by the Indian association of Alberta in conjunction with the National Indian Brotherhood which presentation was commonly referred to as a "Red Paper" and, if so, how many copies were printed or reproduced and at what cost?

2. In what manner, and to whom, by quantity, were the said copies distributed?

3. Are any copies in the possession of the Department and, if so, how many and at which locations?

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. Yes. Twenty five thousand copies at a cost of $3,881.02.

2. No copies were distributed. The Department complied with a request from the Indian Association of Alberta that distribution be withheld.

3. The Department has in its possession only file copies at departmental headquarters.

TRANSPORTATION CONSULTANTS—R. DIXON SPEAS ASSOCIATES OF CANADA LIMITED

Question No. 385—**Mr. Robinson:**

1 What is the job of the special consultants R. Dixon Speas Associates of Canada Limited?

2. How long will this firm be engaged at the Montreal International Airport?

3. What studies and projects is the firm presently engaged in by the Department of Transport and what is the estimated cost of each?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. R. Dixon Speas Associates of Canada, Limited, is a company of transportation consultants, specializing in aviation matters. Since reference was made to the Montreal International Airport, it should be noted that the parent firm, R. Dixon Speas Associates, Incorporated, Manhasset, New York was engaged in planning work for the new Montreal International Airport (Ste Scholastique). They too are aviation consultants and are one of the very few companies in the world which specializes in runway and taxiway capacity analysis.

2. R. Dixon Speas Associates, Incorporated, New York, conducted two studies at the request of the planning team developing the new Montreal International Airport (Ste. Scholastique). In their first contract, they were asked to analyze and evaluate several of the proposed runway designs. This contract ran from early Spring 1969 to August 1969. The second contract, an analysis of the new airport taxiway system, followed immediately afterward and ran until January 1970.

3. Neither R. Dixon Speas Associates, Incorporated, New York, nor R. Dixon Speas Associates of Canada Limited are currently engaged in any projects for this Ministry.

[Mr. Duquet.]

CONVENTION CONCERNING "CAUTIO JUDICATUM SOLVI"

Question No. 422—**Mr. Fortin:**

1. Has Canada signed agreements concerning *cautio judicatum solvi*?

2. Does Canada intend being a party to the March 1, 1964 Convention of The Hague Conference concerning *cautio judicatum solvi*?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. There is no record of signature by Canada to conventions concerning *cautio judicatum solvi.*

2. Canada only acceded to the Statute of The Hague Conference on Private International Law on October 7th, 1968. Our participation in that organization is, therefore, of very short standing. One aspect of Canada's participation in The Hague Conference will involve consideration of past conventions, drafted by that organization, having legal implications relevant to Canada. Among these Conventions is the Convention on Civil Procedure of March 1st, 1954, which, in Part III, Articles 17-19, is concerned with *cautio judicatum solvi.*

POLLUTION EMISSIONS FROM ENGINES OF LOCKHEED 1011 AIRCRAFT

Question No. 500—**Mr. Anderson:**

1. Has the Department of Transport conducted any test or will it conduct any test on the pollutant emissions from the engines of the Lockheed 1011 which Air Canada intends to put into service soon?

2. What pollution emission criteria were applied by Air Canada in evaluating this aircraft?

3. What pollution emission criteria will be applied by the Department of Transport when evaluating this aircraft for commercial use in Canada?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. The Department of Transport has not conducted any test on the pollutant emissions from the engines. Tests to the satisfaction of the Department may be required to be made by the manufacturer or operator if standards being developed by the Federal Aviation Administration (FAA) prove to be unacceptable to the Department.

2. During the initial Air Canada evaluation of the RB 211-22 engine, Rolls-Royce Ltd. guaranteed a smoke visibility index number (at that time a Von Brand index No. 27) which corresponds to an engine exhaust which is invisible to the naked eye. Subsequently, the Ringelmann scale has been used and Rolls-Royce Ltd. has stated that the inservice aircraft will meet, or better, the smoke concentration related to Ringelmann No. 1, which again corresponds to an invisible exhaust from the engine.

3. The Department anticipates that it will accept the engine emission standards which are being developed by the FAA, as standards to apply to the operators of this aircraft in Canada. Pending the finalization of these standards the Department is taking into account the smoke standard guaranteed by Rolls-Royce Ltd. for certificated engines. This guaranteed standard is likely to

be a more stringent standard than can be applied retroactively to all currently operated aircraft without incurring a heavy cost penalty to the industry.

AVERAGE LIFE SPAN

Question No. 510—**Mr. Mather:** (Supplementary)

By province and territory, what is the average length of life of (a) females (b) males?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: A review of the answer of December 16, 1970 (page 2102 of *Hansard*) indicates that there may have been ambiguity regarding the interpretation of the term "average length of life". The figures quoted by DBS were for "average age at death" of those who died in 1969, this being their actual average length of life. DBS also routinely calculates various life table functions for the Canadian population and various sub-populations such as provincial and territorial. Two types of life tables are currently being produced: one, referred to as complete, are based on quinquennial censuses and are considered to be official; the other, referred to as abridged are based on population estimates and are prepared for analytical and research purposes. The life expectancy values at birth, sometimes referred to as the "average length of life", shown on the next page, are the latest available and, therefore, originate from abridged life tables. Life expectancy values are theoretical or expected and are based on the assumption that the population structure will not change and that the mortality experience on which the life table is based will remain constant during the life time of the cohort. The "average age at death" and the "life expectancy at birth" (average length of life) will be equal for a population where the births and deaths are equal for any period and where age specific mortality rates remain unchanged. The Canadian population structure and mortality patterns are changing; this is why the "average age at death" and "life expectancy at birth" are different. If it is assumed that the term "average length of life" means life expectancy at birth then the two tables attached show such figures for provinces and territories by sex.

Life Expectancy at Birth By Province, and Sex, 1968

Province	Male	Female
Newfoundland	69.46	74.85
Prince Edward Island	68.25*	77.20*
Nova Scotia	68.55	74.93
New Brunswick	68.36	75.38
Quebec	68.12	74.54
Ontario	69.08	75.96
Manitoba	69.86	76.58
Saskatchewan	70.55	76.89
Alberta	70.51	76.25
British Columbia	69.38	76.07

Life Expectancy at Birth By Territory and Sex, 1964-68

Territory	Male	Female
Yukon	66.32*	74.38*
Northwest Territories	64.45*	66.52*

*Life Tables constructed for areas with populations of less than 100,000 persons are subject to wide fluctuations and considerable error because of the relatively small number of deaths in each age group for each sex; the above life expectancy figures for Prince Edward Island, Yukon and Northwest Territories should therefore be interpreted with caution.

The life expectancy figures for the provinces are based on 1968 mortality experience and June 1, 1968 post-censal population estimates. The life expectancy figures for the territories are based on the 1964-1968 mortality experience and June 1, 1966, Census enumeration of population.

REGULATIONS COVERING FLAMMABILITY OF MATERIALS USED IN AIRCRAFT COMPARTMENTS

Question No. 517—**Mr. Anderson:**

1. What regulations govern the flammability of fabrics and other materials used for the covering of seats in Canadian registered aircraft?

2. Are all plastics used in the interiors of Canadian registered aircraft required to be non-flammable or fire resistant?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. The applicable Canadian regulation for seat coverings in aircraft compartments occupied by either crew or passengers is specified in Part II, Chapter III, Paragraph 3.4.1, of the Department of Transport Engineering and Inspection Manual. For compartments where smoking is permitted the covering of furnishings must be at least flame resistant, (i.e., not susceptible to combustion to the point of propagating a flame after the ignition source is removed). All other compartments must be placarded against smoking. In addition to the foregoing, the following design requirements apply: (a) United States Federal Aviation Regulation 23, Paragraph 853, applicable to aircraft under 12,500 pounds specifies that all covering of furnishings in aircraft compartments must be at least flame resistant if smoking is allowed and flash resistant, (i.e., not susceptible to burning violently when ignited), if placarded against smoking. (b) United States Federal Aviation Regulation 25, Paragraph 853, applicable to aircraft over 12,500 pounds specifies all compartment materials must be self extinguishing after flame removal, i.e., flame resistant. (c) United Kingdom British Civil Air Regulations Section K4-3, Paragraph 6.1.2 for aircraft under 12,500 pounds and Section D4-3, Paragraph 9.2.2, for aircraft over 12,500 pounds requires all compartment materials to be at least flame resistant. The subject of flammability of fabrics has been the subject of discussions in ICAO. When the ICAO standard is finalized it will be adopted by Canada.

2. Plastics used in aircraft interiors for the lining of walls and ceilings, the covering of all upholstery, floor and furnishings are subject to the same design requirements specified in answer to Question 1.

Part II, Chap. III, Para. 3, 4. Smoking in aircraft: 3.4.1 For all civil aircraft certified in Canada, the wall and ceiling linings, covering of all upholstery, floors and furnishings in compartments in which smoking is permitted must be made sufficiently flame-resistant to preclude ignition by cigarettes or matches, and ash trays of the self-contained type which are completely removable must be provided. All other compartments must be placarded against smoking.

JOHN DOYLE—INCOME TAX ASSESSMENT

Question No. 519—**Mr. Coates:**

1. Has a decision been rendered on the claim by the federal government against John Doyle?

2. What was the total amount of the federal government's claim and for what period of time does the claim cover?

3. If a decision has not as yet been rendered, on what date is a decision anticipated?

Hon. Herb Gray (Minister of National Revenue): 1. The Exchequer Court of Canada has rendered judgment in respect of Mr. Doyle's appeal from his 1950 assessment and in respect of one of the issues under appeal from his 1954 assessment. The Exchequer Court dismissed both these appeals. Mr. Doyle has now filed appeals to the Supreme Court of Canada from these decisions of the Exchequer Court. The Exchequer Court has adjourned sine die the hearing of Mr. Doyle's appeal from his 1953 assessment and the hearing of the second issue under appeal from his 1954 assessment.

2. It is public knowledge that a Writ of Extent was issued out of the Exchequer Court of Canada on July 8, 1963 for the sum of $3,410,130.90, and that the years involved in the appeals are 1950, 1953 and 1954. However, the provisions of Section 133 of the Income Tax Act prevent the disclosure of the amount of taxes assessed or owing.

3. It is hoped that the remaining issue can be heard by the Exchequer Court during the Spring and that the appeals to the Supreme Court will be heard during 1971.

GREATER VANCOUVER—RAPID TRANSIT SYSTEM

Question No. 527—**Mr. Mather:**

Is consideration being given to the proposal of the Government of British Columbia that the provincial and federal governments contribute a shared 75% of the costs of a rapid transit system for Greater Vancouver?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): No, consideration is not being given to this specific proposal at the present time. The Department of Transport has not received a request regarding this form of rapid transit financing.

INDUSTRY, TRADE AND COMMERCE—CHANGE IN NUMBER OF EMPLOYEES AS A RESULT OF USE OF COMPUTERS

Question No. 553—**Mr. Robinson:**

As a result of the use of computers by the Department of Industry, Trade and Commerce, how many employees have been (a) laid off (b) hired?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): As a result of the use of computers, the Department of Industry, Trade and Commerce has not laid off anyone, but since 1966 has hired an additional 28 data processing employees. The additional staff was required to process greatly expanded personalized promotional campaigns and to develop and maintain other computerized systems used in the Department.

SUSPENSION OF DBS PUBLICATION "PRICE INDEX OF COMMODITIES AND SERVICES USED BY FARMERS"

Question No. 555—**Mr. Southam:**

Is it the intention of the government to suspend the Dominion Bureau of Statistics Publication of the Canadian Price Index of Commodities and Services used by farmers "until it has been updated to truly reflect the costs of inputs" as recommended by the Task Force group discussing goals?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: The Dominion Bureau of Statistics has suspended publication of current indexes in the series, Price Index Numbers of Commodities and Services Used by Farmers, pending completion of a comprehensive updating of the items, weights of items and the price samples of the index. The revision is expected to be completed early in 1971. In the meantime, current indexes are continuing to be compiled and are provided to users on request only, and in such cases users are advised of the need for the revision.

CANADA'S BALANCE OF INTERNATIONAL PAYMENTS

Question No. 562—**Mr. Saltsman:**

1. For each year 1955 to 1969, what were the total managerial fees, royalties, etc. (a) receipts (b) payments (c) net balance in Canada's Balance of International Payments?

2. For the same years, what were the total interest and dividend (a) receipts (b) payments (c) net balance in Canada's Balance of International Payments?

3. For the same years, what was the net balance in Canadian managerial fees, royalties, and interest and dividends, as a percentage of Canada's Gross National Product?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: Questions 1, 2 and 3 are answered by the table below:

CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

(Millions of dollars)

Question:	1.			2.			3.
	Business Services (Managerial fees, royalties, etc.)			Interest and Dividends[1]			Total Balance as Per Cent of GNP
Year	Receipts	Payments	Balances	Receipts	Payments	Balances	
1955	79	199	−120	161	473	−312	1.5
1956	95	230	−135	142	524	−382	1.6
1957	99	240	−141	153	594	−441	1.8
1958	97	247	−150	167	614	−447	1.8
1959	109	260	−151	180	671	−491	1.8
1960	121	273	−152	171	656	−485	1.7
1961	121	297	−176	213	764	−551	1.9
1962	129	329	−200	202	783	−581	1.8
1963	128	316	−188	230	860	−630	1.8
1964	149	339	−190	332	1,010	−678	1.7
1965	167	369	−202	322	1,086	−764	1.8
1966	182	443	−261	318	1,140	−822	1.8
1967	203	552	−339	295	1,211	−916	1.9
1968	204	598	−394	353	1,259	−906	1.8
1969	205	640	−435	414	1,345	−931	1.7

[1] Includes interest on long-term bonds and debentures and intergovernmental debt, earnings on international reserves, dividends and profits of unincorporated branches.

DOMINION BUREAU OF STATISTICS—POSITION OF MR. O'HAVER

Question No. 563—**Mr. Rodrigue:**

1. What are the duties of Mr. O'Haver of the Dominion Bureau of Statistics?

2. What is his salary?

3. Is he bilingual?

4. Is he a Canadian citizen and, if so, since what date?

5. Is part of his responsibilities carried out in the Province of Quebec?

6. Does his position require the services of a bilingual public servant?

[*Translation*]

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1. Mr. H. O'Haver is the Director of the Field Division of the Socio-Economic Statistics Branch of the Dominion Bureau of Statistics. In this capacity he is responsible for directing all household and establishment field survey work of the department in such fields as labour force, prices, income, job vacancy; for collecting a wide variety of business reports and for providing local liaison with important respondents and users of DBS data; for advising and participating in the testing of Census techniques, in the development and co-ordination of census field plans, and for directing census field operations. The actual field work is conducted out of a network of eight regional offices across the country each under the control of a Regional Director reporting to Mr. O'Haver at Ottawa.

2. The salary range applicable to Mr. O'Haver is $19,084 to $21,687.

3. Mr. O'Haver is not bilingual.

4. Mr. O'Haver does not have Canadian citizenship.

5. Some of the work which is done under his jurisdiction is carried out in the Province of Quebec by staff working out of the Montreal and the Ottawa Regional Offices.

6. His position has not been identified as specifically requiring a bilingual incumbent.

[*English*]

ESTABLISHMENT OF A CANADIAN CONSUMER COUNCIL

Question No. 564—**Mr. Mather:**

Is consideration being given to the request of the Consumers' Association of Canada for the establishment of a Canadian Consumer Council "representative of the consumer"?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): In accordance with the recommendations of the

Questions

Economic Council of Canada (Interim Report—Consumer Affairs and the Department of the Registrar General, July, 1967, p. 28), the Canadian Consumer Council, which by statute is established to "advise or assist the Minister," is composed of members "from all regions of the country and having a strong personal interest in consumer affairs," and includes "producer and distributor interests." Its members are representative of various sectors of the economy and different walks of life, including consumer organizations, law, trade unions, agriculture, manufacturing, retailing, credit unions and co-operatives.

STORAGE OF BUTTER 1969-70

Question No. 573—**Mr. Lambert (Bellechasse):**

As of (a) October 31, 1969 (b) October 31, 1970, how much butter was in storage?

[*Translation*]

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: The amount of butter in storage was:

Period	Stocks of Creamery Butter (pounds)
October 31, 1969	106,784,000
October 31, 1970	116,746,000

[*English*]

STORAGE OF POWDERED MILK 1969-70

Question No. 574—**Mr. Lambert (Bellechasse):**

As of (a) October 31, 1969 (b) October 31, 1970, how much powdered milk was in storage?

[*Translation*]

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: The amount of powdered milk in storage was:

Period	Stocks of Skim Milk Powder (pounds)	Stocks of Whole Milk Powder (pounds)
October 31, 1969	203,485,000	355,000
October 31, 1970	155,852,000	225,000

[*English*]

CANADA PENSION PLAN

Question No. 576—**Mr. Roy (Timmins):**

Has the government given consideration to the effects created by the denial of Canada Pension Plan benefits to individuals who have not and cannot contribute for a minimum of five years to the plan and, if so, will the government (a) allow benefits prorated to contributions under five years (b) return the contributions by those who will not receive benefits?

Hon. John C. Munro (Minister of National Health and Welfare): (a) and (b) Under the Canada Pension Plan anyone who has made a contribution is eligible for a retirement pension and consequently no minimum period of contributions is required in order to be eligible for a benefit of this kind.

At present a person must have contributed for three years in order to qualify his survivors for benefits. This minimum qualifying period will gradually increase over a period of time.

At present a person must have contributed for five years in order to be eligible for disability benefits. This minimum qualifying period will also increase over a period of time.

When the Canada Pension Plan was being designed, these waiting periods were deemed necessary for actuarial and other reasons. Contributions which are required under the legislation are not refundable.

In developing the White Paper on Income Security the foregoing considerations were reviewed again and it was felt that no changes should be made in them. It might be noted that the great majority of Canadians have now contributed to this plan or its counterpart, the Quebec Pension Plan, for the minimum qualifying periods specified above.

AIR CANADA—BUTTER SERVED ON FLIGHTS

Question No. 627—**Mr. Lambert (Bellechasse):**

1. Is all the butter served on Air Canada flights produced in Canada?

2. Is the butter bought after tenders are called?

3. What was the quantity of butter purchased by Air Canada during 1969 and 1970?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Management of Air Canada advises as follows: In so far as Air Canada is concerned, 1. Canadian butter is specified for all Company flights originating in Canada. Flights originating from foreign countries are provided with locally available butter for logistical and economic reasons.

2. The Company contracts with independent caterers for meals to a defined standard, including the butter specification mentioned in Answer No. 1. The caterers choose which food to purchase, by contract or otherwise, including butter.

3. As it does not purchase directly, Air Canada is unable to reply to this question.

CHANGE OF NAME OF DOMINION BUREAU OF STATISTICS

Question No. 654—**Mr. Mather:**

Has a decision been reached to change the name of the Dominion Bureau of Statistics to include the word "Canada" and, if not, is consideration being given to such a change?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: Bill S-2 respecting statistics of Canada was read in the House a second time and referred to the Standing Committee on Finance, Trade and Economic Affairs on December 16, 1970. Section 3 of this Bill, if passed, would change the name of the Dominion Bureau of Statistics to Statistics Canada.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CROWN CORPORATIONS PERSONNEL

Question No. 76—**Mr. Orlikow:**

For each Crown corporation and agency since their establishment (a) who are the chief executive officers and the Board of Directors (b) when were each of the officers and directors first appointed and for what length of time (c) which officers and directors were reappointed and for what length of time (d) what annual salary or remuneration was given to each executive officer and director (e) what *criteria* was used in the appointment of the chief executive officers and the Board of Directors?

Return tabled.

MERCURY POLLUTION

Question No. 484—**Mr. Reid:**

1. What action has the government taken to provide scientific research in the area of mercury pollution since May 15, 1970, specifically the causes of the breakdown of mercury in waterways, and the possible means of removing the contamination from the waterways affected?
2. What continuing program of scientific research has the government on all aspects of mercury pollution?

Return tabled.

EQUIPMENT OF AIRPORTS CONTROLLED BY DEPARTMENT OF TRANSPORT

Question No. 581—**Mr. Nielsen:**

By location, what airports controlled by DOT are equipped with (a) ILS (b) PAR (c) VASIS (d) ADF (e) VOR (f) runway overruns (g) runway grooving?

Return tabled.

Mr. Korchinski: Mr. Speaker, I should like to direct the attention of the House to question No. 606 which I should like to have answered. In view of the minister's own wish that more information be provided regarding his income stabilization program, perhaps he will look into this matter and answer the question as quickly as possible.

Mr. Jerome: Mr. Speaker, I have made a note of the number and I certainly will look into the matter to see whether the question can be answered expeditiously.

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT INSURANCE—INTERIM REVISION OF REGULATIONS TO ASSIST THOSE NOW UNABLE TO QUALIFY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In view of the very alarming increase in the number of members of the work force who are having to seek recourse to welfare, for example, in Vancouver the number of single men is double the figure for last year, is the government now prepared to

bring in an interim revision of the rules relating to unemployment insurance with a view to reducing the qualifications so that those unable to qualify this winter because of existing rules will be able to get some benefit from the fund?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I should like to welcome the Leader of the Opposition back to the House. This question was asked in his absence and I said at that time that the general subject of unemployment will be debated this afternoon. I expect that the Minister of Labour, who is directly responsible, will take this question into account when he answers.

An hon. Member: You have said nothing.

Mr. Speaker: Order, please.

Mr. Stanfield: Mr. Speaker, I express the hope that we will get some information from the minister.

FORECAST OF 1971 EMPLOYMENT TREND

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether, in view of the increasing unemployment in the country, for example, at the rate of 17 per cent in the Kelowna district, the minister has now revised his forecast of employment trends in 1971, or is he still predicting a reduction in the seasonal rate of unemployment in this country?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the forecast remains the same.

Mr. Stanfield: Mr. Speaker, may I ask the minister what his forecast is? I ask this question in view of the boast he made during the past year that his forecast with regard to employment and unemployment was out by only a fraction of one per cent. Will the minister tell the House what his forecast is, because he has not told us yet?

Mr. Benson: Mr. Speaker, I suggest that my hon. friend read the budget speech—

Mr. Stanfield: I have read it.

Mr. Benson: —in which I indicated the general outlook for employment this year.

UNEMPLOYMENT INSURANCE—PROVISION OF ADDITIONAL FUNDS TO IMPLEMENT WHITE PAPER RECOMMENDATIONS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister. Since the revision of the payments and eligibility for unemployment insurance really depends directly on the government's willingness to supply additional funds, and since the government's own white paper suggested that the federal government would assume the additional responsibility if unemployment rose over 4 per cent, may I ask whether the govern-

ment is prepared at this time to make additional funds available so that the Minister of Labour can put into effect as of January 1 this year the recommendations which were made in the white paper for implementation later in the year?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I do not think that that course would commend itself to the government. As the hon. member knows, we have been having discussions with the provinces about unemployment insurance as well as about other aspects of social security. We want to act in such a way as commends itself to the provinces as well as to the federal government.

Mr. Baldwin: How about the unemployed?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask whether the government is giving any consideration to emergency measures with respect to the unemployment insurance fund that would not involve the provinces, such as increasing the maximum from $53 a week to $100 a week and extending benefits for those who have already exhausted their eligibility until at least May 1 in order to see them through the winter months?

Mr. Sharp: Mr. Speaker, the hon. gentleman may have forgotten that we have just increased unemployment insurance benefits.

Mr. Baldwin: But the government has also increased the number of unemployed.

TORONTO—ACTION TO ELIMINATE DELAYS IN PAYMENT OF UNEMPLOYMENT INSURANCE CLAIMS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I ask a question that is supplementary to the first question asked by the Leader of the Opposition. I direct it to the Minister of Labour. In view of the lengthy delays that have developed in the payment of unemployment insurance claims in the Toronto area, which has resulted in many of the claimants having to go on civil relief until their payments are sorted out—one case took seven months—is the minister taking steps to see that this regrettable situation is straightened out in the immediate future?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I cannot accept the premise and therefore I cannot answer the last part of the hon. member's question.

Mr. Hees: Would the minister be good enough to read what has appeared in the daily press almost every day since he went away? He will find out that what I have said is correct.

UNEMPLOYMENT—TORONTO—CREATION OF JOBS THROUGH EROSION AND POLLUTION CONTROL PROJECTS

Mr. S. Perry Ryan (Spadina): Mr. Speaker, may I direct a supplementary question to the Minister of Finance. Has the government been approached by the city of Toronto regarding direct job-creating projects such as erosion and pollution control? If so, is the federal government prepared to extend assistance?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, no such approach has been made to me.

Mr. Ryan: May I ask a supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. There are eight or ten members who wish to ask supplementary questions. I must bring to the attention of hon. members that there is to be a debate on unemployment later this afternoon. I suggest that the question period ought not to be devoted entirely to this very important matter.

CALGARY—DELAY IN PAYMENT OF UNEMPLOYMENT INSURANCE CLAIMS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I will not preface my question with a premise. May I ask the minister to investigate seriously the situation in Calgary—it is similar to that which is said to exist in Toronto—in order to make sure that unemployment insurance payments, which are paid out of the Winnipeg office because of automation in the department, are made on time to the 20,000 unemployed in the city of Calgary and other places inasmuch as they did not receive their payments in time for Christmas?

Hon. Bryce Mackasey (Minister of Labour): A question posed that way, Mr. Speaker, merits an answer. I will obtain this information from the UIC and report tomorrow.

HALIFAX—DELAY IN PAYMENT OF UNEMPLOYMENT INSURANCE CLAIMS

Mr. J. P. Nowlan (Annapolis Valley): We welcome the Minister of Labour back to the House to look after the problems of unemployment. Will the minister check with the Halifax office in the Atlantic area to determine the reason for the delays in the payment of unemployment insurance benefits?

Mr. Speaker: Order. The hon. member's question is a legitimate one but similar questions were asked about Toronto and Calgary. Perhaps we might stop at Halifax. I do not think that much would be gained by hon. members asking the same question with regard to different centres all across Canada. The hon. member for Saskatoon-Biggar on a supplementary.

Mr. Gleave: I want to move to another subject, Mr. Speaker.

Mr. Speaker: Before doing so, the Chair might recognize the hon. member for St. John's East.

UNEMPLOYMENT—RECOMMENDATIONS BY MINISTER OF REGIONAL ECONOMIC EXPANSION TO ALLEVIATE PROBLEM

Mr. James A. McGrath (St. John's East): I have a supplementary question for the Minister of Regional Economic Expansion. In view of the special responsibilities

that the minister and his department have by statute for the creation of jobs and in view of the special responsibility the minister has taken for unemployment in cyclical areas like Montreal, what recommendation has he made or is he prepared to make to the government to alleviate the immediate problem of unemployment?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I believe I made all the recommendations I thought necessary to the government.

As for those that concern the whole economy, I know they will be under discussion later today.

* * *

[*English*]

GRAIN

PRODUCTION AND RECEIPTS PROGRAM—REQUEST FOR STATEMENT ON PRESENT POSITION—PRODUCTION CONTROLS IN NEW INTERNATIONAL WHEAT AGREEMENT

Mr. A. P. Gleave (Saskatoon-Biggar): I have a question for the minister in charge of the Canadian Wheat Board. In view of newspaper reports of proposed changes and modifications in the outline of the cereal grains program issued by the minister some time ago, is the minister prepared to make a statement on motions on his present position as a result of his talks and discussions with farm organizations?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the position is the same as it was last week. Consultations and discussions are still going on. I have no further statement to make to the House at this stage.

Mr. Gleave: If the minister is not prepared to provide information on that subject, in view of the fact that negotiations toward a new international wheat agreement are commencing today, can he indicate to the House what Canada's stand will be with regard to production controls among the exporting countries?

Mr. Lang: Mr. Speaker, I am not sure that it would be very productive to analyse at this stage what our position may be in the course of the negotiations that will be taking place. However, the discussions are likely to deal more with the possibility of a new agreement in all its aspects, including price and supply, rather than with production policies in particular.

PRODUCTION AND RECEIPTS PROGRAM—INQUIRY AS TO ANNOUNCEMENT OF GOVERNMENT POLICY

Mr. John Burton (Regina East): In view of the fact that some news reporters are able to learn more about the grain stabilization program from officials of the minister than members can learn from the minister, will the minister take the House into his confidence and state when he expects to be able to announce government policy on this matter? Also, will he indicate whether the government has made a decision to proceed with a plan?

Inquiries of the Ministry

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, no further decision has been made other than what has been made known to the House. As I indicated in answer to the previous question, consideration of the issues is still going on. When we reach further conclusions and make final decisions, they will be announced.

PRODUCTION AND RECEIPTS PROGRAM—DEVELOPMENT OF COMMUNITY PASTURES

Mr. J. S. Korchinski (Mackenzie): I have a supplementary question inasmuch as I raised this question about a month ago. In view of the information contained in his pamphlet, will the PFRA program, under which new land will be developed for community pastures, no longer be part of the government policy under the new program? In light of the information contained in his pamphlet, will the new government policy be that the pastures are not going to be opened up?

Hon. Otto E. Lang (Minister of Manpower and Immigration): My difficulty is that perhaps there was a slight misstatement of what was contained in the original statement. The statement as put out is what we intend to do, what we propose to do.

ARRANGEMENTS BY FARMERS FOR STORAGE BY COMPANIES

Mr. Les Benjamin (Regina-Lake Centre): In view of the fact that a senior official of the Saskatchewan Wheat Pool has quoted the minister as saying that farmers could make private deals with grain companies to store some of their grain, without asking the minister to divulge the details of any policy he may be considering, will he inform the House whether it is his intention to introduce legislation that will allow such action to be taken by individual farmers?

Hon. Otto E. Lang (Minister of Manpower and Immigration): The quotation in question even purports to be a second-hand quotation of a quotation. However, a change in relation to elevators and their ability to store grain would not necessarily require legislation; it might be carried out by way of regulation or decisions by the particular bodies. Of course this question will come up as we move to new situations with perhaps more space available in the future than in the past.

Mr. Speaker: The Chair will recognize one last supplementary. The hon. member for Battleford-Kindersley.

ADEQUACY OF FLOUR MILLING CAPACITY TO MEET POSSIBLE SALES

Mr. Rod Thomson (Battleford-Kindersley): Will the minister assure the House that sufficient Canadian flour milling capacity is available to produce enough flour to satisfy all possible flour sales to Russia or Cuba?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I think I can give that assurance. I certainly

have received no report of any difficulty; there seems to be adequate capacity available.

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EXTERNAL AFFAIRS

CANADIAN ATTITUDE TOWARD POLITICAL AND MILITARY EVENTS IN INDIAN OCEAN AREA

Mr. Heath Macquarrie (Hillsborough): I have a question for the Acting Prime Minister concerning the Singapore Commonwealth conference. It refers to the reported statement of an aide to the Prime Minister to the effect that Canada "could care less about the Indian Ocean and would not mind if they pulled the plug." Can the minister tell us whether this officer was speaking on behalf of the Prime Minister who at the time was far away from Singapore, and is the Canadian attitude—

Mr. Speaker: Order, please. Perhaps the hon. member could find some way of asking his question which would be acceptable procedurally. He knows quite well that he cannot ask the Acting Prime Minister or the government whether or not a statement made by an official outside the House represents government policy. The question might be asked in another way.

Mr. Macquarrie: I put my question in that form because the Prime Minister was absent from Singapore and the official I mentioned was there. Can the minister advise whether it is in fact the Canadian attitude toward political and military events in the Indian Ocean area that "we could not care less"?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker. Quite the contrary. When I saw this report I sent a cable and I was assured that whoever it was who spoke was not speaking on behalf of the Canadian government.

Hon. George Hees (Prince Edward-Hastings): A supplementary question to the Acting Prime Minister. If that is the case, does the Acting Prime Minister not feel it would have been a good thing for the Prime Minister to have done his job in Singapore instead of going off skindiving—

Mr. Speaker: Order, please.

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ADMINISTRATION OF JUSTICE

RELATIONSHIP OF INCREASE IN CRIME TO UNEMPLOYMENT

Mr. G. W. Baldwin (Peace River): I have a question for the Minister of Justice, Mr. Speaker, whom I welcome back at this time when the government needs all the strength it can muster. In light of the fact that statistical information shows that as high a proportion as two-thirds of those in penitentiaries were unemployed at the time they committed their crimes, has the minister attempted or will he attempt to establish an inquiry into whether or not the recent sharp increase in crime is connected with the present high level of unemployment?

Mr. Speaker: Perhaps this is a matter which the Minister of Justice should be given an opportunity to study.

MEASURES TO RESTRICT ACQUISITION OF WEAPONS BY CRIMINALS

Mr. P. V. Noble (Grey-Simcoe): I should like to direct this question to the Minister of Justice; the Minister of Consumer and Corporate Affairs took it as notice last week. In view of the fact that our laws to control possession of handguns and concealed weapons have not prevented criminals and so-called urban guerrillas from acquiring whole arsenals of deadly weapons, is the government giving consideration to taking further restrictive measures to curb the proliferation of weaponry which is seriously threatening our society?

Hon. John N. Turner (Minister of Justice): Last year I met with officials of the Department of the Solicitor General, of my own department and of other agencies of government and asked that a review be made of the current situation, particularly the definition of restricted and prohibited weapons. I would think the new Solicitor General might well wish to report to the House at a future date.

Mr. Eldon M. Woolliams (Calgary North): A supplementary question, Mr. Speaker. I was pleased to hear the Minister of Justice say that he looked at this last year because I asked a question at that time. Can he now assure the House that serious action is being taken, particularly in Montreal where the weapons were sold by war surplus stores to the criminals who did the kidnapping and may have committed the murder?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I do not accept the full range of that premise but I certainly agree with the hon. member that the question is serious enough for a thorough review.

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POWER

PROPOSED FLOODING OF SKAGIT RIVER VALLEY—RESPONSE BY U.S. GOVERNMENT TO REQUEST THAT AGREEMENT BE CANCELLED

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I am sorry that the Minister of Fisheries and Forestry is not in the House today following his conference in Washington. May I therefore direct my question either to the Acting Prime Minister or to the Parliamentary Secretary to the Minister of Fisheries and Forestry. Can the minister indicate to the House what was the response made by the U.S. government to the minister's request that the agreement under which 6,000 acres of the Skagit valley in British Columbia would be flooded be torn up?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): The question is taken as notice, Mr. Speaker.

Mr. Rose: Mr. Speaker, since the question is being taken as notice, perhaps I can ask the minister to assure the House when he replies to my question that the Canadian government will not permit flooding of the Skagit River valley to take place under any circumstances.

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INFORMATION CANADA

DISMISSAL AND DEMOTION OF PERSONNEL—BUDGET PRIORITIES—FEDERAL IDENTITY PROGRAM

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a question for the Minister without Portfolio responsible for Information Canada. It has some reference to unemployment but generally to the principles of his department. In light of the announced dismissal and demotion of employees of Information Canada, will the minister be clarifying the priorities for Information Canada's budget in regard to personnel in order to offset the paralysing problem of morale in that department, let alone another statement on the Logo incident, not only in regard to the possible cost of a suit but also as to how much it will cost the government of Canada to implement this symbol—

Mr. Speaker: Order.

Mr. Nowlan: —and I think they had better use black, the way things are going.

Mr. Speaker: Order, please. Perhaps the minister should not attempt to reply to that question now but he might make a statement in due course on the question put by the hon. member for Annapolis Valley.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, I hope my reply will not be as confused as the question. There is no difficulty about implementing the announcement made some time ago with respect to the federal identity program; it is proceeding satisfactorily. As far as any staff reductions are concerned, it is the hon. member, among others, who has indicated that one of the purposes of Information Canada should be to bring about some tightening of personnel in this whole field of information. I hope we will be able to do that without the loss of very valuable people, and that any people from the Exhibition Commission who cannot be accommodated within Treasury Board's requirements for its operations will find employment elsewhere in the Public Service. None of these people has lost employment.

Mr. Nowlan: A supplementary question. The only reason I was a little confused was the confused antics and policies of this fledgling embryonic department and its embryonic minister.

Inquiries of the Ministry

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

Mr. Nowlan: Mr. Speaker, I was trying to make sure that the minister understood the difference between "embryonic" and "imbecillic".

Mr. Speaker: Order. Would the hon. member ask his supplementary.

Mr. Nowlan: Will the minister make a statement on motions this week clarifying some of the confusing policies and practices of Information Canada which, while we all have doubts about the efficacy of the program, now that it has been launched we would like to see get off the pad?

Mr. Stanbury: Mr. Speaker, I appreciate the hon. member's concern and would be glad to discuss it with him any time. Other hon. members have not indicated that they are experiencing the same confusion he is.

Mr. Speaker: Order, please.

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FINANCE

FURTHER REVIEW BY PUBLIC OF TAX REFORM PROPOSALS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Finance. In view of the dampening effect that his original white paper had on the entire economy, and in light of the many requests being made for a review of the new proposed program that is being redrafted, will the people of Canada again have an opportunity to review the minister's latest proposals once they are redrafted?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the question is rather confusing. First of all, new proposals are not being drafted. What is being drafted is a bill to be introduced through a budget in the House of Commons. Not only will the people of Canada have an opportunity to discuss it but, more importantly, the bill must be discussed clause by clause in the House of Commons.

Mr. Korchinski: May I ask the minister whether it is the intention to send a committee across the country again to hear representations from the people?

Mr. Benson: Mr. Speaker, the only reason I can think of for that suggestion is my hon. friend wanting a trip.

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LABOUR CONDITIONS

PROPOSED LAY-OFF OF EMPLOYEES OF CANADIAN ARSENALS, MISSISSAUGA—REQUEST FOR POSTPONEMENT OF CLOSING OF PLANT

Mr. Walter Deakon (High Park): Mr. Speaker, I should like to direct this question to the Acting Prime Minister

in view of the fact that the Minister of Supply and Services is not in the House today. In view of the fact that the employees of Canadian Arsenals at Mississauga have been given notice that they will be laid off work within six months due to the decision to close down the plant, thereby resulting in the possibility that 175 to 200 people will become unemployed, could consideration be given to postponing or deferring the closing of this plant, especially in view of the present economic situation?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I will bring those representations to the attention of the minister.

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EXTERNAL AFFAIRS

SINGAPORE COMMONWEALTH CONFERENCE—CANADIAN POSITION RESPECTING SALE OF ARMS BY BRITAIN TO SOUTH AFRICA

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is directed to the Acting Prime Minister. As the survival of the Commonwealth may well be at stake in the debate that will take place this week at Singapore, can the Acting Prime Minister assure the House that Canada will remain firm in its opposition to the British sale of arms to South Africa and will make it clear in the forthcoming debate that uncompromising insistence by Britain on its plans may well torpedo the Commonwealth?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as the hon. member knows, there has been no change whatever in the position of the Canadian government. We have not been supplying arms to South Africa and we are opposed to the British government supplying arms. If the hon. member is asking me whether we will leave the Commonwealth if Britain supplies arms to South Africa, I doubt very much whether that kind of threat would be useful.

Mr. Brewin: I did not make the suggestion put forward by the Acting Prime Minister. What I asked him to answer was whether in the debate Canada would make it clear and would state that the Commonwealth is in danger of being torpedoed by the continuance of Britain's plans to sell arms to South Africa?

Mr. Sharp: Mr. Speaker, as I said at the outset of my answer, we have no intention of changing our policy. The Prime Minister made that clear to Mr. Heath when he wrote to him and warned him about the danger of breaking up the Commonwealth. This remains our position.

SALE OF ARMS BY FRANCE TO SOUTH AFRICA—CANADIAN POSITION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question in like fashion to the Acting Prime Minister and also as Secretary of State for External Affairs. Has Canada written to Premier Pompidou of France to protest the sale of arms by France to African countries?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, when this question was put to me the other day I pointed out that France is not a member of the Commonwealth, and that it was in the Commonwealth connection that we wrote to the Prime Minister of Britain. As Secretary of State for External Affairs I have, of course, on behalf of the Canadian government expressed our opposition to the sale by any country of arms to South Africa, and that certainly includes France which is one of the suppliers.

Mr. MacInnis: Mr. Speaker, on a question of privilege, may I take this opportunity to draw to the attention of the Minister of Finance that he has apparently lost everything from his pockets but his money.

Mr. Benson: Mr. Speaker, on that question of privilege, I should simply like to say that if my hon. friend had been over here I would probably have lost my money too.

Mr. MacInnis: Further to the point of privilege, if the minister is like the rest of us he should be taking his own money.

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[*Translation*]

LABOUR CONDITIONS

UNEMPLOYMENT—PROPOSED WINTER WORKS PROGRAM TO ASSIST MUNICIPALITIES

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question to the Acting Prime Minister.

During the weekend I had the opportunity to meet a number of civic administrators who stated their concern about some unemployed who are unable to draw unemployment benefits. Could the minister say whether the government is now considering the possibility of concluding agreements with the provinces and municipalities, in order to organize winter works as soon as possible to assist those individuals?

Mr. Speaker: I think that this question has already been asked but the Acting Prime Minister may care to answer it.

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, in the plans that were put forward by the government just before Christmas, a very large program of works was laid out, much of which will be implemented this winter. This is the most effective measure that could be taken. I quite agree that measures should be taken to deal with winter unemployment, and that is what we have done.

GRAIN

PROPOSED MARKETING OF RYE, FLAX AND RAPESEED BY WHEAT BOARD—REQUEST FOR VOTE BY FARMERS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the minister who is responsible for the Canadian Wheat Board. What consideration, if any, is the government giving to the recent request of the Saskatchewan Wheat Pool that the government conduct a ballot among farmers of the Wheat Board area on the question of extending the board's powers to cover the complete marketing of rye, flax and rapeseed?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Naturally, Mr. Speaker, when such a request is received it is given consideration.

WHEAT—ACHIEVEMENT OF EIGHT-BUSHEL DELIVERY QUOTA

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the minister in charge of the Wheat Board. In view of the minister's previous commitment in respect of an eight-bushel quota during the present crop year and in view of the fact that many points are on only a three-bushel quota, can the minister still carry out this commitment to the House?

Hon. Otto E. Lang (Minister of Manpower and Immigration): As of today I think 41 of the 46 points are going on a four-bushel quota and there seems to be no difficulty in moving forward rapidly as the crop year proceeds.

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MANPOWER

AMENDMENT OF REGULATIONS TO INCREASE NUMBER OF UNEMPLOYED ELIGIBLE FOR RETRAINING PROGRAMS —EXTENSION OF PERIOD

Mr. David MacDonald (Egmont): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. If he wishes to so indicate, perhaps he could answer in greater detail during the debate which is to follow. In view of the relatively small number of unemployed people who are able to make use of the manpower training programs as an alternative to employment, is the minister making plans now to revise many of the regulations which prohibit many unemployed Canadians from taking advantage of the programs?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, in a program as large as the retraining program of course all aspects of it are continually under review. The number of people now receiving the training program is of course very high indeed. We have had a look at whether or not any changes would be an advantage having regard to the amount of money which is available for the purpose. At the present time we are satisfied that, given the training facilities and the amount of money which is available, it is serving its purpose fairly well.

Mr. MacDonald (Egmont): Mr. Speaker, in view of the fact that roughly only one out of every ten unemployed can take advantage of these programs and specifically in view of the limit on the length of training that can be taken, is consideration being given to lengthening the 52-week period so that many people will not have to face unemployment simply because their time has run out under present training regulations?

Mr. Lang: As I indicated earlier, all aspects of the program are under consideration and this is certainly one which deserves continual consideration. The programs, of course, are not designed simply to put people who are unemployed into training but rather to offer training to those people who are unemployed where a training program is specifically indicated as the route back to employment for them.

[*Later:*]

RETRAINING PROGRAMS—USE OF CANADA ASSISTANCE PLAN PROVISIONS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I have a question supplementary to the previous series of questions about persons being ineligible for manpower training. Are the Minister of Manpower and Immigration and the Minister of National Health and Welfare giving consideration to increasing the emphasis on the work activity program section of the Canada Assistance Plan?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, discussions are going on between several departments and several provinces about the direction in which these programs should go in the years ahead. I look forward to these discussions leading to some fruit.

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POWER

MINAS BASIN TIDES—REQUEST BY NOVA SCOTIA FOR REOPENING OF STUDY

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Acting Prime Minister. I ask it in light of the tremendous enthusiasm of the newfound supporter of Minas Basin Tidal power. Has the government received any formal request from the province of Nova Scotia and for the premier of that province to reopen the study in this regard?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I apologize for not having followed through on the answer I gave the other day. I did not have time to do so, but I will inquire today.

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GRAIN

FORAGE INCENTIVE PROGRAM FOR 1971—WHEAT ACREAGE REDUCTION

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I should like to direct a question to the minister in charge of the

Wheat Board. Can the minister assure all concerned that the proposed incentive program to increase cultivated forage crop acreage on the Prairies in 1971 will not be tied to a reduction in wheat acreage as it was in 1970?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, there is no intention whatsoever to tie any reduction in a particular crop to the forage incentive. The forage incentive as proposed would be directly in relation to increases in forage acreage over previous levels.

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AGRICULTURE

IMPORTATION OF NEW ZEALAND AND AUSTRALIAN BEEF IN LIGHT OF FORAGE INCENTIVE PROGRAM

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the Minister of Agriculture. In view of the incentive program to increase forage acreage in western Canada and thereby by implication the production of feed, will the minister review the present trade program in respect of the importation of beef from New Zealand and Australia to avoid a real conflict in policy?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, this is constantly under review. There is no indication that there is a conflict of policy. Indeed, the projections indicate that a substantially higher increase in the rate of production of beef would have to take place to meet the demands of the North American market.

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INFORMATION CANADA

DISTRIBUTION OF BROCHURES ON OBTAINING OF A PASSPORT

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to address my question to the minister charged with responsibility for Information Canada. In light of the government's policy which apparently requires a Canadian citizenship card for those citizens who immigrated to this country from Great Britain and other Commonwealth countries in order to obtain a Canadian passport, even though these people have resided in Canada for many years, and in view of the difficulty involved in obtaining suitable information, with resulting confusion, will the minister undertake the responsibility of making the excellent brochures on this subject readily available at post offices and other local federal offices for public use?

Mr. Speaker: Order, please. I doubt whether the question is so urgent that it should not be placed on the Order Paper. However, perhaps the minister might be allowed to reply.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, I appreciate the hon. member bringing this to my attention. If there are not sufficient brochures available I will try to make sure more are made available, both in my capacity as minister responsible for citizenship and as minister responsible for Information Canada. I believe it should be pointed out, however, that there is no special requirement in respect of former British subjects. The requirement for passports to be issued by the Department of External Affairs is simply for evidence that a person is a Canadian citizen. The citizenship registration branch is willing to issue proof of that just as the vital statistics office of a provincial government is able to issue proof of birth.

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FINANCE

INQUIRY AS TO WITHDRAWAL OF INCOME TAX SURCHARGE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Minister of Finance if the fact that he withdrew the tax bill last Thursday can give the people of Canada any hope that he intends to drop the 3 per cent income tax surcharge which he proposed to extend until the end of 1971?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker; it was merely a technicality. Usually the tax bill is not introduced until the budget debate is completed.

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[*Translation*]

HIGHWAYS

QUEBEC—APPLICATION OF FEDERAL GRANT TO CONSTRUCTION OF EXPRESSWAY IN MONTREAL

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

It has been said that the federal government has granted $68 million to Quebec in order to create employment in that province. It has also been said that this amount will be used to build an expressway in Montreal, which would provide jobs for 1,400 workers.

Has the federal government made this grant of $68 million to Quebec for creating jobs or for building an expressway in Montreal?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I suggest that the announcement was that the federal government had made available to the provinces a sum of $150 million, to be distributed in accordance with the employment situation in each province.

Accordingly, Quebec is entitled to $68 million of the total amount.

The use to be made of the fund is in fact left to the province so long as it tends to create jobs.

Mr. Asselin: I would like to ask a supplementary question, Mr. Speaker.

Does the minister find logical that a grant of 68 million dollars to Quebec will create only 1,400 jobs?

Mr. Speaker: Order. The hon. member invites the minister to express an opinion. In this sense I do not believe that the question is in order.

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[*English*]

FINANCE

REMOVAL OF DEFERMENT OF CAPITAL COST ALLOWANCE ON COMMERCIAL BUILDING

Mr. Steven E. Paproski (Edmonton Centre): I wish to direct my question to the Minister of Finance. In light of the rising unemployment crisis, will the government consider lifting the deferment of capital cost allowances on commercial building in Ontario, Alberta and British Columbia so that construction can commence on some major—

Hon. E. J. Benson (Minister of Finance): Mr. Speaker—

Mr. Paproski: Mr. Speaker, will the minister wait until I ask my question, please?

Mr. Speaker: Order, please.

Mr. Paproski: In light of the rising unemployment crisis, will the government consider lifting the deferment of capital cost allowances on commercial buildings in Ontario, Alberta and British Columbia so that construction can commence on some major projects to provide needed jobs, not words?

Mr. Benson: If my hon. friend would only read the legislation he would see that it has already expired.

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WATER RESOURCES

DAMAGE TO PEACE-ATHABASCA DELTA BY BENNETT DAM—ASSISTANCE TO THOSE PLANNING LAWSUITS —STUDY OF IMPLICATIONS OF PROBLEM

Mr. Paul Yewchuk (Athabasca): My question is directed to the Minister of Justice. It is in reference to the damage done to the Peace-Athabasca delta by the W. A. C. Bennett dam. I was wondering whether the minister through his department had in mind the offer of any assistance to the towns on the Peace River and to the Alberta Métis Association which are planning lawsuits against the British Columbia government for damage done to the delta region?

Hon. John N. Turner (Minister of Justice): I do not see how I would be able to do that, Mr. Speaker, under the statutory duties given to me by parliament.

Mr. Yewchuk: I have a supplementary question, Mr. Speaker.

Mr. Speaker: Order. We will be running out of time within a few minutes. The Chair will recognize the hon. member for Athabasca on a supplementary question, but I would ask him to proceed quickly so as to give some time to several other hon. members who wish to ask questions.

Mr. Yewchuk: My supplementary question is directed to the Acting Prime Minister. In the absence of the Minister of Fisheries and Forestry, could the Acting Prime Minister indicate whether the studies being carried out by the federal and provincial governments will include a study of the illegal aspects and implications of the Peace-Athabasca delta problem which has resulted from the dam construction?

Hon. Mitchell Sharp (Acting Prime Minister): I will take the question as notice, Mr. Speaker.

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REGIONAL ECONOMIC EXPANSION

THE PAS—CHANGE IN MANAGEMENT OF FOREST PRODUCTS INDUSTRIES—POSITION RESPECTING FEDERAL GRANTS

Mr. Cliff Downey (Battle River): My question is to the Minister of Regional Economic Expansion and deals with the complex of forest products industries in The Pas, Manitoba, which were recently taken under trusteeship by the Manitoba Government. In view of the fact that the four companies involved are qualified for an aggregate of some $15 million in federal grants, can the minister say whether it is his intention to advance the money to any one of the companies should it meet the qualification deadline, even though the management has in effect changed since the original agreement was signed?

Mr. Speaker: Order, please. The hon. member's question is obviously an important one but normally it should be placed on the Order Paper. However, if there is urgency it might be considered at the time of adjournment.

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LABOUR CONDITIONS

PROVISION OF 100,000 NEW JOBS IN QUEBEC

Hon. Marcel Lambert (Edmonton West): My question is for the Minister of Labour. Could he advise us whether he shared the undertaking of the Premier of Quebec to supply 100,000 new jobs in the province of Quebec within one year, or does he agree with the ministers of that government that this was merely a target figure?

Mr. Speaker: Order, please. I doubt very much that the question is in order.

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OIL

POSITION RESPECTING PROPOSED NORTHERN PIPELINES

Mr. Rod Thomson (Battleford-Kindersley): My question is directed to the Acting Prime Minister. Will he say

if the views of the hon. member for Esquimalt-Saanich regarding an oil pipeline in Alaska or a pipeline in the Canadian north are those of the government?

Mr. Speaker: Order, please.

* * *

LABOUR CONDITIONS

ASSISTANCE TO FIRMS IN INSTALLATION OF POLLUTION ABATEMENT EQUIPMENT TO AVOID EMPLOYEE LAY-OFFS

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Regional Economic Expansion. In light of the impending lay-off in Hull of more than 100 employees of Canada Packers Limited because of the apparently excessive cost of pollution abatement, is the government considering the provision of assistance to this and other firms in installing pollution abatement equipment so as to avoid mass lay-offs at this critical time?

* * *

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, my department is only concerned with matters of pollution when it comes to giving industrial incentives. My department is not responsible for settling problems caused by pollution in Canada.

[*English*]

Mr. Bell: May I take it from this that the minister is not concerned now with the Ottawa area?

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FINANCE

REMOVAL OR REDUCTION OF SALES TAX ON BUILDING MATERIALS

Mr. R. E. McKinley (Huron): My question is for the Minister of Finance. In light of the unemployment situation and the slow growth of the economy, is the government giving consideration to removing or substantially reducing the 11 per cent federal sales tax on building materials at this time?

Mr. Speaker: Order, please.

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VETERANS AFFAIRS

WAR VETERANS ALLOWANCES—PROVISION TO RECIPIENTS OF BENEFITS OF ESCALATION PENDING NEW RATES AND CEILINGS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. Is the minister now in a position to answer my question of last Monday as to whether the necessary Order in Council has been passed so that war veterans allowance recipients who are also receiving the guaranteed income supplement will obtain the benefit of the escalation which will be in effect during January, February and March, pending the new rates and new ceilings which are to come into effect in April?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): The documents have been prepared and are now before the Treasury Board. I am sure a decision will be made in time for the proposed increase.

Mr. Knowles (Winnipeg North Centre): Does the minister mean that it will be made in time so that the adjustment will be made in the January cheques?

Mr. Dubé: Yes, Mr. Speaker.

• (3:00 p.m.)

GOVERNMENT ORDERS

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed, from Tuesday, December 8, consideration of the motion of Mr. Benson, that this House approves in general the budgetary policy of the government, and the amendment thereto of Mr. Lambert (Edmonton West) (page 1808).

Mr. Baldwin: I rise on a point of order, Mr. Speaker. Before this debate commences, may I say it is my understanding that we are to spend not only today but tomorrow on the budget debate. I think we have indicated that at this time we intend to direct our attention to the question of unemployment. May I make a suggestion which the government may take into account regarding the future of this debate?

These two days plus two more days will take up four of the days allotted to the budget debate. If during the course of the debate today the Acting Prime Minister (Mr. Sharp) or the minister responsible would indicate that the government intends to bring in at once supplementary estimates covering certain proposals to deal with the unemployment crisis, including expanded unemployment insurance benefits and expansion of the Canada Assistance Plan, a program of works and certain selective tax reduction this party would be prepared to review its position with regard to the debate. If the government is prepared to indicate in this way, through supplementary estimates, that it will provide leadership, in this crisis we would be prepared to suggest that the debate may be brought to an end.

Mr. Speaker: I suggest to the hon. member that that was not a point of order but rather a point of a debate. The hon. member may want to make that suggestion when he has the floor in the course of the debate which is to follow.

Hon. Robert Stanfield (Leader of the Opposition): Mr. Speaker, during the course of the past few months I believe the only words we have heard repeated as often as the recommendations of my colleagues and myself with regard to fighting unemployment have been the stand-pat responses of the ministers of this government. There is, however, one difference developing daily in this situation. These same recommendations that we have been making are being heard from an increasing number of Canadians, including an increasing number of economic experts, not just from the opposition benches. So, it is becoming more and more apparent that if the government continues to stand pat, it may well be standing alone in the short term.

Some hon. Members: Hear, hear.

Mr. Stanfield: As to the terrible unemployment faced by hundreds of thousands of Canadians this winter, admittedly there is limited action that can be taken at this date. However, let there be no doubt as to who is responsible for these hundreds of thousands of Canadians being in this position this winter.

Some hon. Members: Trudeau.

Mr. Stanfield: The stubbornness of this government in failing to act has been mainly responsible. At least let this government do what can be done at this stage this winter, and at least let it make the suggested changes with regard to unemployment insurance. Let us have an end to these stand-pat, complacent statements emanating from ministers of the Crown.

Looking a little further ahead, and recognizing the time factor involved in achieving a desirable level of employment in this country as well as the mess into which this government has put this country, the prime and major recommendation of the Progressive Conservative party is for the government to immediately implement selective cuts in taxation, including cuts in personal income tax of the order of 6 per cent or so.

When the Minister of Finance (Mr. Benson) brought in this budget on December 3, there was a general expectation that he would at least allow the 3 per cent surtax on personal and corporate income to expire as it was supposed to do, and as he originally stated it would. However, the minister did not allow this 3 per cent surtax to lapse, and the budget, with all its high blown phrases, became merely a means of extending the life of the surtax and in fact increasing taxes. In so far as the technical requirements, are concerned, the budget has no more reason for existing than this. Spokesmen for the government suggest that tax cuts would be inflationary. I do not for a moment subscribe to that philosophy under current circumstances, nor do many economists who are registering their objections to the present policies of the government. The *Financial Times*, for example, espouses a 10 per cent cut in personal income tax as well as cuts in corporate tax. An increasing number of economists and business people are calling for immediate tax cuts.

Let me say again that in present circumstances, far from a tax cut of this nature being inflationary, there is very good reason to believe that it would be anti-inflationary. In fact, there is very good reason to believe that it might very well moderate the demands for wage and salary, increases which Canadians feel they need to offset the expected increases in the cost of living. I am not suggesting for a moment that we should abandon our concern about fighting inflation. I do not believe we have inflation licked. For example, I have been urging the government not to abandon sincere attempts to achieve voluntary wage and price restraints. The government got started on this program at a time when inflationary pressures were at their peak, the most difficult and very worst time to implement such a policy, and the program was in deep difficulty from the beginning.

The experience of other countries, notably West Germany, suggests that efforts to achieve successful economic guidelines and restraint policies, call it what you will, have a fair chance of success if they are based on consultation and co-operation among governments, business and labour rather than dictation from on high, and if they are instituted at a time when inflationary pressures are not too heavy. I say again that it seems obvious that rather than abandon efforts to achieve such a program at this time, this is the very time when the government should be redoubling its efforts to bring business and labour together to achieve a meaningful restraint program on a co-operative basis. Instead of this, the government has chosen to abandon its efforts. I hope nobody in the government is going to continue to give lectures to us on this side of the House about the importance of continuing the fight against inflation.

Another tax cut that could get a significant segment of our private sector moving ahead would be a substantial reduction or, preferably, the elimination altogether of the 11 per cent sales tax on building materials. This would give a very necessary and immediate stimulus to an entire job-creating construction industry. It is important, too, that if this government is going to fight unemployment effectively there must be some structure of responsibility. It is very difficult, looking from this side, to know who is in charge, or whether the Minister of Manpower and Immigration (Mr. Lang) is trying to spend one-third of his day fighting unemployment as well as handling immigration problems and problems in respect of wheat. From this side of the House there is no apparent co-ordination of government policy in respect of fighting unemployment, and it is urgent that someone be given the responsibility to fight unemployment rather than to have the divided responsibility we now see. Judging from the interest that he has shown so far, I hope that responsibility will not be given to the Minister of Finance.

The most optimistic forecast of Canada's economic growth for 1971, on the basis of the present budget arrangement, indicates that the highest expected growth rate will make no appreciable reduction in our present seasonally adjusted rate of unemployment. I have challenged the government a number of times to come clean and tell the country what its forecasts are in respect of unemployment for 1971. It has not accepted the challenge. Again this afternoon I sought this information and

I got an evasive answer. I repeat the challenge now, Mr. Speaker. I repeat the forecast, which I think is accurate on the basis of what I read, that unless additional and powerful stimulus is given to the growth of this economy, for this year unemployment, seasonally adjusted, will not be below 6 per cent.

During the past week I have been in the western part of this country and I should like to talk for a few moments about some of my impressions. At the outset of these remarks, I want to pay tribute to the personnel who staff the many agencies which are being pressed to the very limit in trying to serve the unemployed people in this country. I had the opportunity of meeting a number of these dedicated staff people, and I was impressed with their concern and the humane approach they are taking in trying to do their job. They are dealing, under pressure, with an abnormally high number of unemployed persons who would feel even more degraded by their circumstances were they being dealt with by case workers and counsellors who did not really care.

Some reports of my travels have given the impression that I was abusively greeted by a large number of people in Vancouver who, having no current eligibility for unemployment insurance benefits, were lined up to receive welfare assistance. That impression is inaccurate, and I think it is important that I clarify the details of this event. This has an important bearing on conditions in our country. Certainly, there were men in that line up who took the opportunity of my visit to speak out from anger to me. They are the men whose pride is hurting in a most unspeakable way. In addition to those men, and quite separate from them, there were a few vocal representatives of other groups who took advantage of the media coverage available to get their message across. All over the world today, people have become familiar with the techniques of abusive confrontation and the effectiveness of this tactic in gaining coverage. This effectiveness can hardly be minimized.

• (3:10 p.m.)

What concerns me about the nature of this kind of confrontation is that those indulging in it seem to have passed beyond the will or desire to discuss things. They feel that their only recourse and satisfaction lies in their organized ability to incite. I am, of course, troubled by this development because of the rejection and disillusionment that it represents. I caution the government, and I caution the people of Canada, not just to write off people in this state of mind as a disturbing nuisance. We must, to a large extent, endure some loud abuse and keep working at the problem.

By far the majority of the jobless Canadians I met in the line-ups at Vancouver and elsewhere have not reached that point of despair. They are trying to sustain their hope in the face of hopelessness. They are not the ones who have been making loud noises. Their anger and frustration is not visible on the surface. It is masked by whatever degree of pride they have left to display. To a casual observer, they would appear to have accepted their blows from a mismanaged and depressed economy with a reaction of sad resignation. But when you talk to them, there is no mistaking that the same anger and frustration lies beneath the surface. They get their message across, too. It is delivered in a more restrained and quiet way, but the bitterness is there. They are shocked and frightened by what the government has made happen to them; and when they gather in welfare lines, hostels and manpower offices, I believe they are justified in directing bitter comment at anyone who sits in this parliament.

Some hon. Members: Hear, hear.

Mr. Stanfield: The Minister of Manpower and Immigration was the object of some expressions of this bitterness when he spoke in Vancouver last Friday evening. In his response, he conceded that his government's policies had been a cause of unemployment; but then, to his great discredit, he tried to run for cover and shift a substantial portion of the blame to industry and labour. He said that industry must "foresee shifting demands and plan accordingly for its manpower development".

No one will deny that this is a worthy aim. No businessman in this country will quarrel with the minister on that score. But, surely, such a gratuitous piece of advice is nothing short of contemptible when its intent is to mislead and to place blame on somebody else. Industry in this country did not deliberately create unemployment. Labour did not deliberately create unemployment and the unemployed certainly did not create it. This government created it and this government must answer for it.

Mr. Muir: The Prime Minister said that it did not worry him.

Mr. Stanfield: Certainly, as the minister indicates, industry is responsible for looking after its planning programs; but these do not exist in a vacuum. I remind the minister that for months and months I have been urging the removal of the many uncertainties which the government has created in the Canadian economy. I have urged this because I know that industry cannot plan properly in a climate of uncertainty. Yet, in spite of all those months and months of cautioning and warning, the Minister of Finance has smugly refused to take any action. If we have reached a point now where industry is losing confidence in the good faith of this government, there certainly cannot be any doubt as to where the blame really lies. For the Minister of Manpower and Immigration to scold industry at this point and to ask it to act now without the government first doing its part, is more, Sir, than just putting the cart before the horse. The Minister of Manpower and Immigration is attempting to justify that kind of reverse arrangement after the Minister of Finance has wounded the horse and taken the wheels off the cart.

The prospect of a December budget brought fresh hope to many in the Canadian business community. Small businessmen in particular were hopeful of an indication that significant action would be taken by the government to stimulate the economy of this country. Their reaction to the budget which was actually presented by the Minister of Finance was, in many cases, a reaction of outrage. For many it meant that the Christmas message to a

further number of their employees would have to be one that would make them sick at heart. I talked with some of the jobless persons who got the bad news following the appearance of this so-called budget. They are not particularly mad at their employers who let them go. They are not blaming industry or labour for their situation. They know who has caused their jobs as well as their pride in being productive contributors to our Canadian society to be taken away. They know too that inflation is a bad thing and they want to be fair in assessing their treatment. Above all they know that they need hope to sustain them, and they know that this hope can only be offered by the government now scrapping this do-nothing budget and taking quick and effective action. That hope, Sir, will be necessary to sustain them over the long months that it will take the economy to recover, even if a tremendously stimulating beginning is made immediately. Yet, the government continues blindly to withhold the required actions.

Well over half a million Canadians right now are paying a deeply degrading price for this government's arrogance and economic incompetence. Those hundreds of thousands of Canadians have had to swallow their pride and take whatever assistance is available to them to provide food and shelter for another million and more innocent bystanders, the families who depend on them. Is this government now prepared to swallow some of its own false pride and take action? A growing body of respected economic experts says that it should. Industry says that it should; labour says that it should. Yet, I am afraid that because members in the opposition in this House say that it should, the prideful members of this prideful government may stubbornly continue on their ruthless course and be bent on saving political face at any cost.

Some hon. Members: Shame!

Mr. Stanfield: The Minister of Finance may continue to be proud of his one forecasting success. He smiles at us on television and lets us know that he was only a little bit out on forecasting the present dismal state of affairs in this country. He may continue to boast of the wonderful coming effects of his $2 billion turnaround and he may continue to gloat after achieving stellar price performance for the economy. But at what price, Mr. Speaker, and who is paying that price? It is not the Minister of Finance. The Minister of Manpower and Immigration may continue to tell us how it is "still reasonable to expect that the corner of unemployment has been turned." He says this, although well knowing we can expect a further 200,000 unemployed before the winter is over. The Minister of Manpower and Immigration may continue to lecture us in his patronizing way about "controlled recovery". But who is standing out in the cold and in need of more immediate recovery? It is not the Minister of Manpower and Immigration.

The Acting Prime Minister (Mr. Sharp) may continue to treat with disdain and a verbal wrist slapping the warnings concerning potential unrest caused by unemployment that were expressed last week by both the Prime Minister of Quebec and his Minister of Labour. But who has to live and make a living in the province of Quebec? It is not the Acting Prime Minister. The Minister of Regional Economic Expansion (Mr. Marchand) may continue to pride himself on the policies of his department at a point in time when most of the country is a designated area. However, who has to travel Canada's designated cities and countryside in search of work? Not the Minister of Regional Economic Expansion. When the Prime Minister (Mr. Trudeau) returns to this country, he may again give us his word that unemployment is now the number one priority of the government. He may again tell us how inflation has been licked and how he will not lose his nerve in the face of six per cent unemployment and higher. But who needs the nerve to face a family and financial obligations without a job? Not the Prime Minister.

Some hon. Members: Hear, hear!

• (3:20 p.m.)

Mr. Stanfield: I repeat, Mr. Speaker, that I fear anything I say will likely result in little action being taken by this prideful group of men who control and manipulate our economy. In characteristic style, I fear that they will complacently refuse any counsel but their own. There is every probability that they will stick by their mistake as long as people far removed from them are taking the lumps. Opposition argument and attempts at persuasion through debate seem to fall on deaf ears. All the arguments have been stated and all the warnings have been issued time and time again, but to no avail. My resolution to stick at it has been reinforced by the visits I have made this past week.

Some hon. Members: Hear, hear!

Mr. Stanfield: Any one who has seen what I have seen would be moved by the human beings involved in this terrible situation. I appeal to the members of the government to go out among the people to see for themselves the effects of what they have done and are continuing to do. I plead with them to do that, if pleading is what it takes to satisfy their egos. I cannot believe that the human hurt, anger, frustration and degradation that is being massively experienced all over this land would not penetrate even their insulated minds and stir them to take corrective action now. The action that is needed is clear. A mounting body of expert opinion supports this.

There is no time left to sit in the comfortable chairs of cabinet impressing each other with figures, graphs and computer type language. There is surely no time left to remain smug about a hopelessly inadequate budget. There is no time left to alibi and defend an indefensible mistake in economic planning. There is only time to honestly recognize the mistake and to start correcting it. That time, Mr. Speaker, is right now.

Some hon. Members: Hear, hear!

Mr. David Lewis (York South): Mr. Speaker, I say to the members of this House, particularly the members of

the government, that the unemployment crisis in Canada, which grows worse every month this winter, is economically unnecessary, morally indefensible and socially disastrous. I accuse the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Benson) of deliberately and unnecessarily creating inhuman misery for hundreds of thousands of Canadians. I accuse them of cruel and heartless policies which sacrifice the welfare of Canadians on the altar of outdated and irrelevant economic policies in a modern and industrialized society.

I accuse this government of placing an impossible burden on the hard-pressed municipalities of Canada which now have to meet welfare costs beyond their means. I accuse this government of thoughtless disregard of the young people of this country, too many of whom are suffering the frustration and degradation of idleness and hopelessness. In short, I accuse them of creating conditions which cannot help but be an obstacle to orderly progress and will invite restless disorder and revolt against our society. What is most distasteful of all is the indecent smugness and complacency of the government in the face of this critical situation, a smugness and complacency that only arrogant men are capable of in a situation such as that which faces Canada today.

Some hon. Members: Hear, hear!

Mr. Lewis: The Minister of Finance complacently says there may be some difficulty now, but there is not a crisis. He says that everything is on the up and up. I say to him, tell it to the unemployed. Have the courage to tell it to the desperate young. Tell it to the men and women over the age of 40 who are out of work and who, in the best times, find it difficult to find a new job when they become unemployed. Tell it to the children of the unemployed who faced the Christmas holiday with doleful faces. Tell it to the hundreds of thousands of Canadian families who suffer from the policies which you so stupidly and callously introduced in this country.

There is no crisis for the Minister of Finance and his friends. Nor is there a crisis for hon. members of this House. However, there is a desperate crisis for hundreds of thousands of Canadian families and single men and women from one end of this land to the other. This situation, Mr. Speaker, is unforgivable in a country like Canada. We have riches which are almost beyond limit or description. Our people are industrious, loyal and proud. We have all the capacities to meet the legitimate needs of every section of this country. Instead of setting out single-mindedly to fight and eliminate poverty, this government deliberately set out to increase poverty in this country. It has succeeded. Instead of setting out to remove the glaring injustices and inequalities of our society, it adopted policies deliberately intended to increase those inequalities and injustices. It has succeeded.

With much fanfare, the Department of Regional and Economic Expansion was established. I do not think its policies will help Canada. Even those policies are incapable of being implemented in a general economic situation such as the Minister of Finance and the government have produced. This government, led by an insensitive technocrat, is the most reactionary and insensitive government this country has had for many years. I suggest that the unemployment situation in Canada is far worse than the unemployment figures show, and the figures are bad enough. Let me remind hon. members of them.

• (3:30 p.m.)

In December, 1970, there were 155,000 more people unemployed than there were a year ago in December, 1969. That represents an increase of 40 per cent in one year. In December, 1970, 62,000 more people were unemployed than in the preceding month, an increase in one month of some 14 per cent. But I suggest this is not a real description of the situation. The number of unemployed in Canada in December was not merely 538,000; anyone who reads the release from the Bureau of Statistics will notice that the labour force in Canada was reduced by 71,000 between November and December of last year, and the Bureau comments that this decrease is in excess of the usual seasonal contraction. What this technical language means is that many thousands of Canadians left the labour force in despair, young and old, male and female, and are no longer numbered among the labour force. The likelihood is that last month there were about 600,000 unemployed instead of 538,000.

It is certain that one month later the unemployment figure will reach about 600,000—that the actual number out of work is around 650,000 as we debate this subject today. It is certain that next month, and the month after that, unemployment in this country will go up to 700,000 to 800,000. The minister said the other day that this forecast is wrong, but I tell him that before the winter is out he will have to admit that not only are his policies wrong but that his understanding of the situation is limited, unimaginative and inadequate.

The range of unemployment in this country is not only the worst in the past ten years, it is worse than it was during the worst years of the depression. In this situation, the figures ought to be looked at again in order to see them from another angle. We have always drawn attention to this aspect but it is necessary to do so again. It is heartbreaking to note the number and percentage of the unemployed who are the youngest people in the labour force. No less than 19.7 per cent of the total of those unemployed are between the ages of 14 and 19. One in every five is younger than 19 years of age. Some 21 per cent of the unemployed are between the ages of 20 and 24. Taking these figures together, 40.5 per cent of the total number of unemployed are under 25 years of age.

What does this mean for our society? What does it mean for social conditions in a society where young people who leave schools and colleges to start out in life, perhaps to raise a family, are the ones who find themselves out of work, the ones who must face the despair and frustration of failure to find useful work to do? What does it mean in terms of the danger created for the orderly processes of society when circumstances such as these encourage young people to revolt, not only against their own condition of despair but against the society as a whole which has created those conditions? The danger is great, as has been shown in the Province of Quebec,

and it may be seen again not only in that province but in all parts of Canada.

The stupidity of the government's policy is greater even than I have described it when one thinks of what it has done to our total economy, and particularly to production. In 1970, the prevailing level of unemployment resulted in a loss to Canada's total production of about $5 billion. Between $5 billion and $6 billion were lost in the production of goods and services out of which $1 billion at least would have gone into the public treasuries to deal with situations which required to be dealt with. So, the stupid and insensitive policies of the government have produced havoc at both ends—havoc through the loss of productivity worth billions of dollars, and havoc through the loss of revenue available to federal, provincial and municipal treasuries.

When the government says this has been done to fight inflation it is talking not only nonsense, but criminal nonsense. I point out to the Minister of Finance (Mr. Benson) that even his protegé, Professor John Young, the chairman of the useless and almost dead Prices and Incomes Commission, admitted a couple of days ago that the price which has been paid in terms of unemployment in the fight against inflation has been far too high and is unacceptable. Dr. Young should have thought of that seven or eight months ago. We have not had any influence on the minister's thinking but had he tried he might have succeeded instead of failing in the task he undertook.

I say to hon. members that the unemployment situation and the state of our economy today surpass all the other problems which face this country and make it impossible to deal with those other problems. They make it impossible to deal, for example, with the threat of the FLQ in Quebec. They make it impossible to deal with pollution and the remodelling of our cities. How can this be done when there are hundreds of thousands of unemployed and a reduction in the production of wealth which could be channelled to these ends? They make it impossible for a government, which in any case has not the heart to do so, to improve the condition of the aged people, for hon. gentlemen opposite can now claim poverty even though this is the direct result of their own economic policy.

This government will go down in history as a government which instead of dealing with the social and economic needs of Canada arrogantly created a situation which it could use as an excuse for ignoring these needs. Unfortunately, in a situation of this kind, when a government has mismanaged the economy for a period of two years, it is not possible immediately to meet the unemployment crisis in any meaningful way. When the Minister of Finance, the Minister of Regional Economic Expansion (Mr. Marchand) and the Minister of Manpower and Immigration (Mr. Lang) say to this House and to the people that there are no policies which could be immediately effective in reducing substantially the number of unemployed, they are right. But whose fault is this? Whose fault is it that no policies are available because of the time lag necessarily involved from the point at which investment is made to the point at which it results in jobs? Whose fault is it that this time lag has been allowed to accumulate so that in January, 1971 very little can be done to reduce the number of unemployed which presently exists and which will increase in the months ahead? If the government had any consideration for the dignity and pride of human beings and was not so completely controlled by its technocratic concern with squares, computers, diagrams and excuses, then the government could do some things immediately in order to alleviate the condition of those who are suffering the misery of unemployment. I refer not so much to decreasing the number of unemployed but to alleviating their misery and hopelessness.

• (3:40 p.m.)

I understand that the Minister of Labour (Mr. Mackasey) will speak shortly in this debate. The minister has done a fair job in his department as head of labour relations and negotiation. He has frequently spoken with a voice that sounds almost progressive in its concern and sympathy for the condition of ordinary people. If this voice of concern is genuine and sincere, then the minister has an opportunity of proving it by introducing legislation in the House, either today or tomorrow, to provide for an immediate increase in unemployment insurance benefits to $100 a week. I suggest this step be taken on an emergency basis for the next three or four months. This will give the hundreds of thousands who are unemployed sufficient income immediately to live in dignity, even if their self-respect still remains hurt by having to be idle. If the minister's voice of concern and sympathy for the underdog is not only sincere but also courageous, then today or tomorrow he can introduce changes to the unemployment insurance regulations to extend the period for unemployment insurance benefits for those whose eligibility has already expired.

If the quiet and professorial Minister of Manpower and Immigration (Mr. Lang) sincerely means some of the things he has been saying in the past two years, then he too can make an immediate contribution to alleviating the plight of many of our unemployed by changing the regulations governing manpower training and allowances. This would enable young people who have left school and college, who are therefore not in the labour force and have not been in the labour force for three years, to receive immediately the necessary retraining and allowances, thus providing them with some hope ahead, rather than the hopeless wandering across the country looking for work that is not available, in which they have been engaged. If the reason given by the manpower department for not taking this action is that the government has not provided them with sufficient funds to do so, then every member on the government side who has anything but partisan consideration for the unemployed ought to demand, along with every member of the opposition, that the government make more funds available to the manpower department in order that these improvements in manpower training and allowances be made immediately, at least for the winter months.

I am, of course, as concerned for the older unemployed as I am for the younger unemployed. Each time that the

Prime Minister (Mr. Trudeau) has sneeringly tried to suggest that we are asking for these improvements for the younger unemployed at the expense of ignoring the older unemployed—and he has done that on a number of occasions—I have resented it, though I have learned to expect this kind of irrelevant, smart-alec remark from the Prime Minister, particularly in regard to important matters with which he cannot deal consicientiously in any other way.

Although we are as concerned about the older unemployed as we are about the younger unemployed, the fact is that there are too many younger unemployed. Some 20 per cent of those without work are under 19 years of age. When you introduce young people like this into an atmosphere of idleness and despair, Mr. Speaker, you are making it impossible for them to make the kind of adjustment to life, the sort of integration with objective conditions, that is required to make them good and loyal citizens. Instead, you are cheating opportunities for degradation not only at their present stage of development but probably in their future development as well. You are creating opportunities for revolt against the entire democratic process.

It is, therefore, right that we should be concerned about these young unemployed, this 20 per cent that is under the age of 19. It is also right that the government should immediately make funds available to assist this group. I say that the Minister of Finance, who I think is listening to me even though from behind the curtain, has a duty immediately to make available funds to the Minister of Manpower and Immigration in order that he on his part may make immediate changes to the regulations along the lines I have suggested.

As I say, the government can take immediate steps, not to reduce the number of unemployed but to reduce the misery of the unemployed, by making grants available—not loans but grants—to the municipalities so they can meet the increased cost of welfare now facing them. If this were done, two things would happen. First of all, the municipalities would not come under a burden that they cannot possibly bear and be forced to go to the provinces to press for things that reflect themselves in the provinces' accounts, thus making it much more difficult for the provinces to obtain the necessary funds. Second, and more importantly, it would enable the municipalities to liberalize their welfare requirements and make welfare available to more people. It would enable them perhaps to be a little more generous in the amount of welfare granted, increases they cannot presently bear on their own.

It is possible for the government to do at least three things that would have some effect on the number of unemployed in Canada. No one claims they would have a large effect, but as I said on December 12 last, I think it was, even reducing the number of unemployed by 50,000 or 100,000 is an act of decency that no one ought to ignore. This could be done if the government were immediately to undertake with the provinces and municipalities a great many more works than the Minister of Finance has provided for, particularly in the area of social capital, such as the building of schools, hospitals, sewage plants and all the other things that improve the quality of life of our people.

When my leader asked today whether the Minister of Finance had changed his mind about removing the 3 per cent surcharge, I wish with all my heart that the minister's answer had been "Yes, I have changed my mind". The minister ought to remove this 3 per cent surcharge instead of extending it to the year 1971. To a large extent this 3 per cent surcharge on personal income tax—I am not so much concerned about the corporations—falls on the lower and lower middle income groups of this country which would use every penny of this 3 per cent tax to purchase goods and services and, therefore, immediately stimulate the economy.

Finally, I suggest the immediate removal of the 11 per cent sales tax on building materials, especially for housing, though I warn the government that if it does this it should also take steps to make sure that the price of houses will go down and that the benefit of this reduction goes to the purchasers of houses instead of to real estate developers.

• (3:50 p.m.)

I must say I regard the Commonwealth conference as a very important conference. I hope with all my heart that our Prime Minister (Mr. Trudeau) will stand fast by the Canadian policy so far announced that we oppose the sale of arms by Britain to the despicable government of South Africa. But I say the moment that conference is ended, it is the duty of Canada's Prime Minister to come back home to take the necessary steps to improve the unemployment situation and end the suffering of the unemployed in this country. In view of this crisis, he ought not spend a single hour visiting anywhere else or amusing himself or doing anything in any other part of the world. His place is here to deal with a critical unemployment situation and the dangerous social situation which he and his government have created.

At the end of the war, 25 years ago, there was a great deal of discussion in Canada and throughout the world concerning the meaning of that war. Everywhere throughout the western world, after the defeat of the Nazis and Fascists, there was a determination in people's minds that the sacrifices of that war must result in a society which no longer suffered from the inequality, the misery and the unemployment which existed during the decade before the war broke out. At the end of that war, the Liberal party then in power produced a white paper in which the primary objective was a policy of full employment which must be introduced and maintained in Canada throughout the post-war period, said the Prime Minister and all his ministers. Like every promise of the party across the aisle, like every other social pretension of the Liberals throughout the history of this country, and like every other arrogant assumption of the rightness of that party throughout history, this promise of full employment which dates as far back as 1945 has been broken with heartless unconcern by this government as it

has been broken by other governments, both Conservative and Liberal, in the past.

I shall conclude by saying to hon. members that in one sense, with my social philosophy and social beliefs, I am not really surprised about what has happened in Canada. The total lack of public planning in our economy, the total reliance of this government on private enterprise to do the job for the Canadian people, the total failure to do anything about the allocation of investment in socially necessary areas, and the total unconcern of this government, the Liberal party and indeed the official opposition as well, about seeing to it that Canada's economy serves the needs of all the people of Canada and, in so far as it is possible, the needs of people in other parts of the world as well—these are the basic reasons for the failure of this government. The reliance of this government, and the reliance I suppose of the official opposition as well, on the large foreign-owned corporations in this country to be concerned with the welfare and future of Canada's economy in terms of human welfare and human well-being is responsible for the failure of the policies.

I say that, in addition to the specific suggestions I have made, the people of this country ought to demand a new approach, a new policy, greater public involvement in running the economy, greater public involvement in allocating investment and a determination to make full employment the first priority in any government policies.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the present economic situation in Canada is alarming, even frightening and disturbing.

I just listened to the speeches delivered by the Leader of the Official Opposition (Mr. Stanfield) and the hon. member for York South (Mr. Lewis). The latter gave a brilliant account of the economic situation in Canada: 42 per cent of the unemployed are in Quebec, about 600,000 people are out of work in Canada; almost everywhere people do without the necessaries of life; the young are disturbed; heads of families over 40 are extremely concerned; the older ones are despondent; in short, misery hits an increasing number of citizens.

Mr. Speaker, the Leader of the Official Opposition as well as the hon. member for York South have very well described the present situation. However, there are solutions, and all hon. members, including the government members, know the wretched conditions in which too many citizens live.

Reference was made to misery among students, among the young who cannot find employment, among heads of families who lack the necessaries of life in their homes. All this is true, but there are reasons to that and the conditions tolerated by the present administration are exactly the same as those which prevailed in 1961, when Canada experienced the highest level of unemployment in its history. In fact, there were almost a million unemployed, while the Progressive Conservative government had 208 members and the highest majority ever held by a Canadian political party. And just the same, the fact that there were a million unemployed doubtless contributed to the overthrow of the Diefenbaker government in 1962 or 1963.

Mr. Speaker, there are causes for this situation, and no action is being taken to eliminate them. Generally, the same causes produce the same effects. When the system is unrealistic, the whole population suffers.

Mr. Speaker, the first cause for the present situation is the government's failure to face its responsibilities.

Another cause is inflation, which has been talked about for the past two or three years. Two and a half years ago, the present Prime Minister (Mr. Trudeau) said: Because of inflation, I ask provinces, municipalities and school commissions to curtail all expenses. We will not improve services. We will put off projects of a national scope as well as the development of certain areas which are in trouble.

• (4:00 p.m.)

Mr. Speaker, hardly ten days ago, the same Prime minister was telling us: inflation? We have found it; it does not exist anymore. Yet, prices have remained the same and the number of unemployed has increased in the last month or two. Consequently, as regards this inflation we had two and a half years ago, the Prime minister was lying, or he is presently lying in the face of the Canadian people.

So, there was no inflation two and a half years ago and there is none presently. What Canada is suffering from right now is deflation, a lack of purchasing power in the hands of Canadian people to obtain products available in Canada. There is the problem that our country is facing.

Taxes are too high. We ask for a basic income tax exemption of $5,000 for married persons and from $2,500 to $3,000 for single persons. The government and the ministers laugh at us. This is absurd, they say.

Moreover, our financial system is stupid. Because of inflation and to fight it the chartered banks have been allowed to raise their interest rate from 6 to 9 or 10 per cent. The Minister of Finance (Mr. Benson) is aware of that. Either he was lying two years ago or he is lying to the Canadian people in the present crisis.

Mr. Speaker, although the Ralliement créditiste has been stigmatizing the stupidity of the financial system for 10, 15 and 20 years, our proposals are laughed at. We are told: The application of social credit would bring inflation. But inflation exists already and Canadians are asked to swallow that.

Mr. Speaker, the glut of goods today happens to be one of the causes of the unemployment situation in Canada.

The other day, I was pondering over statistics. Besides all the wages that are spent in Canada, our Canadian workers, from all social classes, owe the finance companies more than $12 billion. This is approximately half the amount of money now in circulation in Canada. We are told that to alleviate this situation, large projects will be implemented.

To the employed workers of Vancouver, the Leader of the Official Opposition said recently: Gentlemen, let us reduce taxes to fight inflation. Let us reduce the tax of a poor fellow who has nothing in his pocket. How are we going to help him buy the products on the market? If he is not working, if he has no income, he does not pay taxes. What is the point in telling him that he will not pay any taxes? He is not paying any right now, because he is not earning enough money.

Mr. Speaker, those solutions are irrelevant, like poultices on wooden legs; the government refuses to face reality and then face the necessary reforms.

A few moments ago, I heard the Leader of the Opposition and the member for York South propose benefits of $100 a week for the unemployed. How are those who earn $65 a week going to react? They will be tempted to leave their job in order to receive $100 a week instead of $65, because they get less from their jobs than they would in unemployment insurance benefits.

Mr. Speaker, this is not a solution, and to take from those who have money in order to give to those who have none is not a solution either.

I said in English in Western Canada:

[*English*]

"taking away from the haves to give to the have-nots. In the end you will have all kinds of have-nots and no more haves in this country."

[*Translation*]

That seems to be the policy that is now applied. The intention is to tax those who have money to help those who do not have any. Even if we took one or two million dollars away from millionaires and the money were distributed among twenty million Canadians, it would mean a payment of ten cents to each one of them. But what would that achieve? Absolutely nothing.

The old age security pension has been increased by 42 cents a month. What a big increase!

Mr. Speaker, those are not solutions. The Opposition Leader was laughed at in Vancouver when he advocated tax reductions. What would that be worth to those who do not pay taxes or have not enough money to pay taxes? Nothing.

We are in favour of increasing unemployment benefits provided the employed are respected. If the employed are taxed so that money can be given to those who do not work and who thus receive more than those who earn their living, economic chaos will ensue.

We are aware of the present conditions. We know what are the causes and it is not by practising socialism that we will be in a position to restore the balance or respect the human being in the economic situation.

I have visited several socialist countries as I have already stated in the House. I have travelled in Russia. Highly placed people or union leaders in Russia work 46 hours a week. Everybody has a job. Full employment exists, that is true. Everybody works but the wages are about half ours. In Russia, the monthly wages of an ordinary worker range from $45 to $55. The member for York South would not live there very long. What can one do with $45 to 55 a month? A Russian worker cannot buy a car that we pay $3,500 or $5,000 and which sells for $8,000 or $9,000 in Russia.

With $45 to $55 per month, one walks! This is exactly what happens.

Not television set, no radio, generalized poverty but within security. The freedom of the individual is entrusted to the state. The barber gives out a little ticket meaning: this belongs to the state. The taxi driver also works for the state.

Mr. Speaker, that is a system where security is gained at the expense of individual liberties. It is the same regime as that of my little dog: it has security, but in my home I hold the controls. It is exactly what I saw in Russia, Mr. Speaker.

Is this what we want in Canada? No. If achieving full employment as mentioned by the member for York South means that we will have to ask Canadian workers to accept salary cuts or a reduction in working hours so as to give jobs to everyone, I will have none of it. Two in the place of one with the salary of one only, that is the socialist solution which I will not accept.

The same reasoning could be applied to the two men standing besides a hole, each holding a small shovel, watching large trucks being loaded with a shovel-dredger. One says to the other: We are unemployed because a machine is used in our place. If that machine was not there, there would be jobs for 50 men like you and me, each with a small shovel. The other says: What for? The first answers: There would be work for more people. So, says the second man, 200 men with teaspoons could be used. Then, the same work would be done, the same trucks would be loaded, but 200 men would have jobs.

Mr. Speaker, the press people may laugh but that is the solution they have been advocating in their papers for years and years. That is socialism, in all its splendour.

Not only in Russia, but in Czechcoslovakia also, it is the same.

It is often said: What a splendid country Sweden is! Yes, it is a spendid country. Here is an example. I arrive there one day and I take a bus at a street corner. I note, it is true, that everyone is working, but freedom is in the hands of the state, and that of the individual is not respected.

• (4:10 p.m.)

Four people were at work there—a New Democratic Party member is starting to "sound off" a little because his party has no solution to offer—four employees running one bus: one selling tickets, another perforating them, a third driving the vehicle and a last one supervising the other three checking on whether they were doing their job properly. That was in Sweden.

Whether New Democratic Party members like it or not, it must be pointed out that during the big economic

depression and immediately after the war the Canadian province with the greatest number of unemployed was still Saskatchewan, under a Socialist government. For 17 years, people were leaving Saskatchewan for Alberta or British Columbia because they could no longer live in Saskatchewan with a Socialist government.

Mr. Speaker, is that the kind of government we want in Canada? No. What, then, do we recommend? We have a solution. It does not involve creating jobs, but consuming Canadian products. First of all, let us set up the consumer goods system in order to consume what is being produced, because there is too much of everything. Would it be advisable for the Minister of Regional Economic Expansion (Mr. Marchand) to grant a $200 million subsidy tomorrow for the construction of a new shoe factory, when we already have too many shoes?

Is the clothing industry any better off? There is an overabundance of shoes, clothes, TV and radio sets, automobiles. Shall we subsidize the automobile industry? No. Because there are already too many cars and we would not know what to do with them.

In Western Canada, there are too many tractors, there is too much wheat and milk. We penalized milk producers because they were producing too much milk; they must not exceed their quotas. There is a glut of corn and potatoes in New Brunswick, in Prince Edward Island and in Manitoba. There is also a glut of butter and eggs!

The Prime Minister went to New Zealand and he said there: We will buy your eggs. Canadian farmers are not even able to sell theirs! There are too many chickens. Even now there is quarelling going on from Manitoba to Quebec because Quebec chickens are being dumped in Manitoba and Manitoba potatoes are being dumped in Ontario. The time of day is being spent dumping. The whole population of Canada is being dumped with that crazy system.

There is too much meat, beef, pork and chicken. What is lacking, then? New funds, new credits from the Minister of Finance or the Minister of Regional Economic Expansion, but not to build new plants or expand old ones to produce more: we already have too much.

What is lacking, Mr. Speaker? Purchasing power that corresponds to our production. What do the Créditistes suggest? We will be very specific in our proposal.

First of all, the Bank of Canada must be used—not the New York Bank, but the Bank of Canada—in order to use our credit and not American credit. A domstic economic organization must be set up in Canada without jeopardizing external trade. Americans are not interested in knowing what is the colour of the Canadian dollar or Canadian credit but rather what they can purchase in our country for one Canadian dollar. If we offer more goods for one dollar, they will be interested in coming here. Our dollars are not in circulation in the United States, in Sweden or in England. It is so true that if we go in the Southern United States and we show people a Canadian dollar, they wonder whose likeness appears on it. They wonder what currency it is, whether it comes from Mexico. It looks like a Mexican peso. Even 25c. coins are not accepted by cigarette machines in the United States.

There are some solutions. They are not those suggested by the Minister of Regional Economic Expansion, who made a statement during the weekend.

Here is what one can read in today's *Le Droit:*

Marchand outlines federal policy
Measures against unemployment

The Canadian Minister of Regional Economic Expansion, Hon. Jean Marchand, has said, over the weekend, that it was "really unfair" to claim that Ottawa is doing nothing to control unemployment.

We try something that fails, but at least we do something.

Speaking during the telecast "Les affaires de l'État" of the CBC French network, Mr. Marchand has submitted that for more than one and a half years, the federal government has waged a systematic battle against unemployment in Canada.

Now that we have fought, the number of unemployed has increased by at least 100,000 during December. According to Premier Bourrassa's program, in Quebec, 100,000 jobs were to be created. Instead, we have had 100,000 layoffs; that is not at all what had been recommended. And the minister goes to Quebec and tells the people: "It's coming, we have been working on it for the past 18 months. Results are forthcoming. But in the meantime, things go from bad to worse. There is no solution because we do not have any money.

The minister also said, and I quote from the newspaper *Le Droit.*

He said that during the past 18 months the government has injected well over $2 billion in our economy.

Injected where? Into what? Into the construction of plants that will manufacture goods that people cannot afford to buy. Into assisting people who happen to be in a precarious financial situation? This we did. We prevented people from toppling over because their products could not be sold. Then we injected into the economy billions of dollars which failed to allow the consumer to buy these goods, which will prolong the consumer's destitution and maintain these industries in operation for 18 months. Eventually, the minister will have injected those $2 billion to maintain the industries in operation but the Canadian consumer is ignored completely. The government forgets about him. Old age pensions are increased by 42 cents a month. The minister went on as follows:

There was an expansionist taxation policy—

Let us ask the Minister of Finance (Mr. Benson) whether there was an expansionist taxation policy. In what area? In what sense? Where has the field of taxation expanded? The provinces are always at a loss against Ottawa and all of them blame Ottawa without exception for this taxation system which prevents them from developing. The minister knows that.

—and an expansionist monetary policy,—

—with debts, of course. It was not credit granted by the Bank of Canada, but credit begged on bended knees

in New York and Washington, in order to get permission to develop our country, Canada. Then, we are surprised to hear people say: Our economy is controlled by Americans. Of course, and it is normal since they finance the development while we could use our financial institution, the Bank of Canada. I dare the Minister of Finance to deny this. We, in Parliament, have the power to use the Bank of Canada and to make it serve the provinces, municipalities and school boards to allow them to expand through interest-free loans such as those that are given India, China and other countries.

Instead of using the Bank of Canada, we make it a branch of chartered banks in Canada and then we go to New York and Washington and beg for money to develop the far North and the province of Quebec. We go there to borrow $75 million at a rate of 8¾ per cent during 25 years for the implementation of a Hydro-Québec project in the province of Quebec. In 25 years we will have paid $200 million in interest alone and we will still owe the $75 million we have just borrowed. Mr. Bourrassa, who succeeded Mr. Bertrand, is to blame for that. Bitten by a dog or bitten by a bitch, what is the difference, Mr. Speaker? It is the same thing. The Minister of Regional Economic Expansion said also, and I quote:

Mr. Marchand mentioned the selective measures used by the government to fight unemployment with regard to the old people—

How nice: the old people and the unemployed. But what marvellous thing were done for the unemployed? One single day does not go by without our receiving 25, 30 or 50 phone calls from people without work who are treated like intruders at unemployment offices. Their cases are not always solved by the regional offices; they are referred to Montreal where there are electronic machines. And when these do not work, the unemployed starve at the other end.

Back to the quotation:

—family heads; in areas whose growth is inadequate—

Talk about welfare! Big families are asked to live on $160, $165 and $170 a month. Has the minister a formula look after the needs of a family of seven with $175 per month? I would then listen to the minister and to the government. I continue to quote:

—in areas whose growth is inadequate—

I mentioned that a while ago; they are especially those which are helped.

shipyards, footwear industries, etc.

We have too large stocks of footwear. I will speak to The Manufacturers' Association next Monday in Sainte-Adèle at the Chanteclerc Hotel. I invite the minister to come with me so that we may discuss together problems of the footwear and textile industries, of gold mines and the entire Canadian production. The newspaper also reports as follows:

• (4:20 p.m.)

The minister has emphasized that under the new plan . . . the province of Quebec is now a designated area—

[Mr. Caouette.]

In fact, that is a beautiful quality.

—which will enable it to get grants amounting to $100 million in the next few years.

$100 million are taken from other Canadian provinces.

Mr. Speaker, I do not want to be too long, but I wish to say in closing that the solution advocated by the Creditistes is as follows: first, instead of saying "increase the rate of benefits", we recommend the immediate distribution of a national dividend to each Canadian citizen, whether employed or unemployed. To make a distinction between the one who works and the one who does not there will be the difference of a salary, but every human person, the unemployed and the one on welfare alike, should be provided with the security of a guaranteed vital minimum. That is what is called the guaranteed annual income in scientific terms, such as those used by the government. We advocate payment of an old age pension of $150 per month, not 42 cents per day or $135 monthly. Such a pension would also be payable at 60, because at that age one is too old for family allowances and too young for the old age pension. The older person would receive a pension of $150 at 60 and his spouse, regardless of age, would also receive the old age pension. This would create purchasing power and enable people to acquire goods. Instead of doing away with family allowances or reducing them, they should be adjusted to the cost of living and family allowances should be increased, with the money coming from the Bank of Canada and not from my pockets. What we have in our pockets we need. So, why take it away from us?

The answer is to seek the money where credit is created, that is at the Bank of Canada. Why go to New York to ask Mr. Nixon permission to support my child, back home, in Abitibi? President Nixon never saw Abitibi in his life but the Minister of Regional Economic Expansion did, as well as the Minister of Finance. As for me, I go there fairly regularly.

Mr. Speaker, why not use the Bank of Canada to grant interest free loans to the provinces, municipalities and school boards, in order to allow them to develop normally.

Then, a presalary should be paid to students. I am not the one who advocated this idea, it comes from United States. Rather than have to ask $2 to his father who earns $75 a week and has five or six children to support, the student should receive a presalary and therefore be saved any embarrassment. Instead of letting him fooling around as he does now, without knowing where to turn, we must organize his spare time, give him some guidance and guarantee him his right to live in our society.

Why do young people rebel? Because they are refused the right to live within our society. Since they cannot find a place for themselves in that society, they attempt to destroy it. That is precisely what is happening.

But where would this presalary paid to students come from? Out of my pockets? Certainly not, because I need what I have in my pockets. I am sure the Minister of Regional Economic Expansion (Mr. Marchand) also needs what he has in his pockets.

However, there is no reason why we should not get the credits required from the Bank of Canada, based on Canadian production, not on the moon or the planet Mars. Canadian production reached $77 billion this year, whereas we receive $55 billion. Economists object to the Creditiste theory, claiming that there must be a depreciation of production for income tax purposes.

That is quite obvious. The man who does a lot of business will try to effect a maximum depreciation in order to pay a minimum of income tax. That is obvious. Everyone understands, and so does the minister. But what does the depreciation result in? In the present surplus, surplus goods now standing on shop shelves.

And to prove it, you see, all our national income has been spent. Stores are still full of goods. Plants are operating on a slow-down basis because the goods they manufacture cannot be sold and this situation creates unemployment. There is the problem.

Then, where does depreciation hit us? On the shelves of our stores. The Bank of Canada must be used to distribute purchasing power by means of a compensated discount, or by a national dividend that would permit the consumer to buy the goods piled up in our stores.

Once the shelves in our stores become empty, the plants resume operation and unemployed workers are put to work. Then, the Minister of Regional Economic Expansion will be extremely pleased to see the Canadian consumer back to work.

Instead of subsidizing plants, let us subsidize consumers; they will put the plants back into operation when they buy the goods manufactured by the plants. We will then experience a sound economic system fit for human beings and in which every Canadian citizen will feel secure in his own country while preserving in its integrity his own personal freedom. That is what we have been striving to accomplish for so many years.

Mr. Speaker—

[*English*]

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member. I do so to advise the chamber that his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there unanimous consent for the hon. member to continue his speech?

Some hon. Members: Agreed.

[*Translation*]

Mr. Caouette: Mr. Speaker, I do not intend to take advantage of the kindness of my colleagues.

That is the solution the Créditistes have been proposing for many years. I will be told—as I was on Sunday afternoon on channel 10—that this has never been tested anywhere. That is true, but things are going wrong everywhere!

If our solutions would be tested somewhere things would perhaps go better again. If they are not good, then we simply discard them. We are convinced that the present system is not good, but the Canadian people have to live with it.

Some citizens still praise that system. If prosperity is brought to one area, nobody looks elsewhere where there is misery. Mr. Speaker, the solution to the present problem rests with the economic system. We must resort to an economic solution in order to safeguard personal freedom and personal security. This is what the Créditistes wish for.

I appeal to the Minister of Finance, to the Minister of Regional Economic Expansion, to the Prime Minister of Canada who is now travelling in India, Pakistan and Singapour, in short I appeal to the present government, for a more human economic system, a system which will enable young people to develop, to understand things better, to get training, to choose a course in life, and which will give Canadian fathers and mothers the assurance of raising a normal family in a normal system.

And for our older people, the assurance of security and independence for their later years. This what the Créditistes have been urging for quite a long time without any partisan spirit. Let the Liberal Party take on these concepts and I am sure that my colleagues from the Ralliement créditiste and myself will fully support it in giving the people of Canada a political system that will ensure security and freedom for everyone.

• (4:30 p.m.)

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I participated in a similar debate on the budget a few weeks ago, probably on an amendment of the New Democratic Party. When listening to the Leader of the Opposition (Mr. Stanfield) and other speakers, there was something all too familiar about their participation today. In the weeks since the budget was first introduced into the House, none of the speakers from whom we heard this afternoon have been able to find any fresh material.

I presume that the purpose of the debate, asked for by the official opposition, is to justify the fact that the Leader of Opposition had suddenly discovered unemployment and the problems which unemployment brings to the less fortunate people of this country.

Mr. Lewis: And the government.

Mr. Mackasey: There is my friend. He always provides me with the cue I want. I listened to the speech of that would-be-leader of his party. I compared his radical statements with those he made when he confronted the waffle group. If any one is in a dilemma, it is the hon. member for York Centre—

Mr. Lewis: York South.

Mr. Mackasey: I suspect the hon. member for York South (Mr. Lewis) will be unemployed following that convention, but he will always be welcome in the House. He has the audacity to speak about ordinary people as if he were an ordinary person, and therefore, should know something about the subject.

One of the themes, which has permeated the debate, certainly the remarks of the Leader of the Opposition, is a concern with the plight of the unemployed. I would be much too partisan if I pretended that his concern for the unemployed of this country were superficial or new found. The record of the Leader of the Opposition when he was the premier of Nova Scotia indicates that he does have a social conscience and does care for the people. I take issue with the Leader of the Opposition and others who presume that concern for the unemployed people of this country is limited to the Opposition. This is not so, Mr. Speaker. We do not need a lecture on what unemployment does to a country. No one on this side of the House is happy with the rate of unemployment.

Some speakers have said that we must look back to the great depression to remember unemployment. We do not have to look back that far, Mr. Speaker. We need only go back 10, 11 or 12 years in order to remember unemployment in this country. Some newer members in this chamber do not remember the debates of 1962 and 1963. I wish to deal with the rate of unemployment in those years, but not to be highly partisan because this is not a partisan debate.

An hon. Member: Oh, no.

Mr. Mackasey: The hon. member said "oh, no". I wrote down some of the adjectives he used, such as stupid, arrogant. He suppressed the hope that the Prime Minister would not stay away to amuse himself. The hon. member does not know how to be nonpartisan. He does not think this subject is worthy of being nonpartisan. He is now in the unfavourable position where everything he says in the House of Commons will have some bearing on the events that will take place in the months to come. He is on the horns of a dilemma. His position is not unlike the position adopted by his party toward the problems of Quebec. At one time, they could hide behind the communications wall. Now, there is instantaneous communication and, events in Quebec can be reported ten minutes later in British Columbia.

In 1958, when the Conservatives were in power, the national rate of unemployment in this country was seven per cent. That was not in the hungry thirties, it was only 12 years ago. In 1959, the rate of unemployment was six per cent; 1960, seven per cent; 1961, 7.1 per cent and 1962, 5.9 per cent. I think we are interested in regional figures. The rate of unemployment in 1958 in the Atlantic region was 12.3 per cent. In 1959, it was 10.9 per cent; 1960, 10.5 per cent; 1961, 11.2 per cent and 1962, 10.7 per cent. I put these figures on the record, Mr. Speaker, not as a partisan Liberal, not because I want to engage in this type of debate, but to emphasize the fact that we do not have to go to the hungry thirties to remember unemployment in this country. We only have to go back to the last time the opposition party happened to be in power. When the opposition party was in power, they were faced with problems of an inflation which they inherited. What did they do about it between 1958 and 1962, other than fighting with the Bank of Canada? They ran the unemployment figures in this country to a consistent seven per cent figure between the years 1958 and 1962, then the Canadian people put them out of office.

I do not want to be dishonest and say that we are not concerned about the December rate of unemployment which was 6.6 per cent. That is not a very nice figure. It does not give me any consolation when I compare it with the 1960 figure. In 1958, today's official opposition had just come into office and their financial policy did not have time to take effect. By 1960, midterm, it had a chance to take effect. The actual figure for unemployment in 1960, and I can give seasonal figures because they are similar, was 8.2 per cent for the month of December. As a matter of fact, the Tories had an interesting year in 1960. In January, 1960 the rate was 8.8 per cent; February, 9.6 per cent; March, 9.7 per cent; April, 8.8 per cent, and right down the line to December when the rate was 8.2 per cent.

But, of course, it is no consolation to the unemployed of today to know that Canadians were in a much more precarious position in 1960. In December, 1962, when the opposition was still in power, the rate of unemployment was 6.3 per cent. It may be interesting to note that when we took over the figure, by years, dropped to 5.1, 4.1, 3.5, 3.6, 4.6, 4.7, 4.7, 6.5. If there is any doubt in anyone's mind as to whether we can lick unemployment, that doubt should be dispelled. We were faced with unemployment when we took power in 1963. We did something about it then, and we are doing something about it now.

Some hon. Members: Hear, hear!

Mr. Mackasey: Last night I watched the Leader of the Opposition on television. I have also watched other people on television. The Minister of Finance (Mr. Benson) will participate in this debate tomorrow. He will show that he made the proper adjustments to his policy as far back as March. He will indicate that we are about the experience an effective stimulation of the economy.

There is one thing missing which would help this country to take off again. The Leader of the Opposition spoke about this as late as February of last year. I am referring to the psychological effect of confidence in this country. If investors, foreign and domestic, who look to Canada as a place to invest their money and stimulate the economy over the next decade, read some of the speeches of gloom and doom which were made this afternoon, they would be damned fools to spend a nickel in this country. Fortunately, they know that the record of Canada is good. They know that we are going to take off again. They know that we are on the right track financially.

We need a bit of confidence, not only from the people of Canada, the bankers and industrialists, but from members opposite. They should understand that the fate of this country depends to a great extent on the future prosperity of the future of this country.

All of us should get together to examine the problem of unemployment. I have not been in the House all that long but, in my view, there is one basic difference between the plight of the unemployed in 1970 as com-

pared to 1960. I live in a residential constituency of the island of Montreal. It can be quite adequately described as a workingman's district with railway, Northern Electric and aircraft workers. They suffer unemployment to an unprecedented degree when the economy pulls downward. I remember their plight in 1958, 1959, 1960, 1961 and 1962. Where did they go in 1960? Unemployment insurance benefits were very low in those days as compared even with the present benefits. There was welfare, where welfare existed, but what other programs were on the books to look after the unemployed between 1958 and 1962? There were none, Mr. Speaker. No winter works program, no Department of Manpower, no manpower program. There was no Canada assistance program, no Canada pension plan, no Quebec pension plan. There were no mobility grants, no medicare except in the Province of Saskatchewan and we must pay tribute to hon. gentlemen who belong to the New Democratic Party for that. In fact, there was very little unemployment in Saskatchewan because most of the people were on their way to British Columbia. Statistically, that is so. In any event, there was very little for the unemployed in those days.

• (4:40 p.m.)

The greatest thing we can do for the unemployed is, of course, to provide jobs for them and this should be the prime objective of the present government or of any government. Increasingly, an educated work force demands this, and will continue to do so. But at least we can console ourselves with the knowledge that today the unemployed can turn to some programs. Daily during the question period some people in the opposition laugh at the manpower training program. I do not have to defend the record of that program or of my colleague, the hon. minister responsible for it. However, I looked up the statistics which reflect a program which exists today but which was not in existence during the great depression when the Tories were in power between 1958 and 1962.

Mr. Lewis: May I ask the minister a question?

Mr. Mackasey: I did not interrupt the hon. member and I am not running for any office, so just leave me alone.

Some hon. Members: Hear, hear.

Mr. Lewis: An intelligent response on the part of the minister.

Mr. Mackasey: I am glad the hon. member has judged me to be intelligent. Coming from him, I consider it to be a real compliment. He is quite a judge.

We spent on manpower training in 1969-70 no less than $245,044,076, a staggering sum of money when we realize it comes out of general revenue. This sum was not placed at the disposal of the unemployed ten years ago. As my colleague mentioned today during the question period, the manpower program not only helps the unemployed by providing a weekly income but it trains unemployed persons to be able to take advantage of the economic upswing when it comes in the next few months.

Since 1960, as a result of prodding by many members of this House—I think it is fair to say they were representative of all parties—we have seen the introduction of the Canada pension plan and the Quebec pension plan. These were not around in the days of 7 per cent and 8 per cent unemployment in 1960. Many regard the Canada pension plan as merely providing a pension at the age of 65 for those who contribute, but those who know the act better realize that it provides an income for people who are prematurely retired from the work force as a result of disability or illness or other circumstances. This program was not around when unemployment reached its highest peak in the sixties but it is one to which the unemployed will be turning increasingly as the plan reaches maturity in the next few years.

There are other programs such as medicare which are of enormous assistance to the unemployed. I have already paid tribute to the NDP for introducing it first in Saskatchewan. It has now been extended across the country and it removes a tremendous financial burden from the shoulders of those least able to pay the cost of hospitalization and medical fees. It is another program which did not exist when the Conservatives were in power and we had a 7 per cent unemployment rate in 1960.

An hon. Member: A forward looking minister.

Mr. Mackasey: All kinds of insurance—

Mr. Lambert (Edmonton West): The Tories came in 1958. Come on!

Mr. Mackasey: I did not quote the really bad figures, though I could have done so. I thought 1960 was a good year to quote because hon. gentlemen opposite had had two full years to introduce their economic policies and bring down the unemployment rate. What did they do? Unemployment reached the rate of approximately 7 per cent at a time when there was no manpower program to help the unemployed, no medicare except in one province, no mobility grants to help those who had the necessary skills to move to places where jobs were available. There was no ministry of regional economic expansion capable of directing money to parts of the country which needed it more than others; there was no Canada pension plan, no Quebec pension plan. In short, in 1958 and 1960 there was no alternative but to go on welfare. This is not the case today, because a Liberal government had the foresight and the courage to introduce social legislation between 1963 and 1970 which can now be used for the benefit of those who are temporarily unemployed.

Some hon. Members: Hear, hear!

Mr. Mackasey: Just in case I have been too modest with regard to the accomplishments of this government when describing medicare, we ought not to forget that hospital insurance legislation came in during 1957 or 1958 when the leader of the Liberals in the other place was

the Minister of Health and Welfare. I think it was back in 1957. But this action was taken before our government was replaced. As I recall, the opposition party never saw fit to enlarge that program so as to make it even more meaningful, as we have done since 1960.

Some hon. Members: Oh.

Mr. Mackasey: I thank hon. members opposite for their help. They have really been a great help to me.

Mr. Knowles (Winnipeg North Centre): When will you tell us what you intend to do now?

Mr. Mackasey: The Minister of Finance (Mr. Benson) will tell the House tomorrow—

An hon. Member: God help us.

Mr. Mackasey: I will tell you what I recommend. Let us not panic or take advantage of this situation in such a way as to make the people feel we are in a depression of the kind we were in between 1958 and 1962. We are not. The Minister of Finance took the proper steps six or eights months ago. They will bear fruit in the early spring, and from then on the number of unemployed will be reduced. The opposition cannot have it both ways. As late as last February, the Leader of the Opposition was talking about the detrimental effect inflation was having, particularly on people living on fixed incomes. One of the statements that he made—this is reported in *Hansard* though I do not have the page; however, I read everything that the Leader of the Opposition says in debate—was to the effect that we would have to go back a long way to find a country that is in a worse position psychologically than we are today. Having made that statement, what has been the thrust in the debate today of the Leader of the Opposition, the hon. member for York South (Mr. Lewis), and even of the leader of the Creditistes, who gave us a dissertation on Sweden, the evils of socialism and all the benefits of "funny money"? There has been an almost fiendish glee at the predicament they think the government is in—the high rate of unemployment, gloom and doom.

• (4:50 p.m.)

Since the Minister of Finance (Mr. Benson) reduced the interest rate and freed the money supply in this country, there has been ample money in the banks of this country for investment, borrowing and economic expansion. But we must get over the psychological hurdle first. If I were a businessman sitting in the Gallery today listening to the speech of the Leader of the Opposition and of other speakers, I would ask what kind of country this is. I would say to myself: "If they have no more confidence in our future than that displayed by their speeches, why should I invest my money in such a country?" I think all of us, the opposition as well as the government, have a responsibility to create the right psychological climate for investors to invest. As the Leader of the Opposition pointed out in February, psychology is a very important weapon in the fight against unemployment and the lack of investment.

I have been sitting here since two-thirty listening to speeches in the hope that someone would bring forward a blueprint. But when I heard the Leader of the Opposition repeating some editorials, then I knew there was nothing new in his approach. He talked of reducing income tax in the hope that some money would find its way into the economy sooner or later.

The hon. member for York South made it very clear today that he would reduce taxes, but only personal income tax not corporation tax. Somehow this would stimulate the economy, and so he wants it all ways. I presume the hon. gentleman must have been hampered by the shortness of time in his interview last night, because today I expected him to expand on the kind of programs he would introduce if he were head of the government. He said that perhaps he would take off the building tax since our housing starts are not going to break any records with or without the tax. Certainly, the sales on building materials in no way has impeded our housing starts for this year.

An hon. Member: They are 20 per cent short this year.

Mr. Mackasey: Not because of this tax. We are now reaching our target because we have injected into the economy the money necessary for the construction of the low cost housing which the people need. Built in the right part of the country, this housing will do a lot to reduce inflation and to create a surplus of housing in those areas.

Some hon. Members: Oh, oh.

Mr. Mackasey: Mr. Speaker, I do not know what it is about my mannerisms that so upsets the opposition members today, though they seem to make more sense sitting down than when they stand up to make speeches. However, this is not unusual for hon. members on the other side. If hon. members think I have not much to say, then I am continuing this debate as it began two hours ago. What has disappointed me in this debate is that there has not been one fresh idea put forward by any member of the opposition as to how he would tackle the problem of unemployment. That is, of course, apart from the representative from the Creditiste party.

Mr. Baldwin: A question of privilege, Mr. Speaker.

Mr. Deputy Speaker: Order. The hon. member for Peace River is rising on a question of privilege.

Mr. Baldwin: Mr. Speaker, before this debate commenced I rose and suggested that if the government would see fit, through the Acting Prime Minister (Mr. Sharp), to bring in supplementary estimates—and I indicated at least four specific items—we would be prepared to suggest that the debate be abandoned. I have not spoken in the debate; I simply raised a point of order to make that suggestion.

Mr. Mackasey: Mr. Speaker, I said "new suggestions", and the hon. member has not made a new suggestion in the last ten years. His only answer is that we spend more

money, though he does not tell us how we should spend it. He is a member of the party which a couple of years ago complained about the size of the deficit of this government and the effect that it was having on pushing up interest rates in Canada. Interest rates were being driven upwards and therefore this affected investment and borrowing. Hon. gentlemen opposite now want it both ways. As I say, they are barren of new ideas. I was referring to new, refreshing ideas.

Once again the Minister of Finance will emphasize, as he patiently did a few weeks ago, the steps that he has taken during the last six months to stimulate the economy of this country. He will review the funds that he has placed at the disposal of the provinces amounting to $150 million. He will remind hon. members of the drastic decrease in interest rates that has been characteristic of our banking system during the last few months. He will remind hon. members of the injection of money into the housing field. He will mention the $50 million put at the disposal of the unemployed this winter.

Hon. members have talked about extending benefits to the unemployed during winter. Surely, they should know that even under the present scheme benefits are extended on a seasonal basis during the winter. The requirement for eligibility for unemployment insurance benefits in this country are relaxed in order to extend the period of coverage. Virtually any member of the work force is eligible for seasonal benefits if he is laid off during the winter months. So, this is not new; it is already in operation.

It has also been suggested that we should introduce some new programs. The hon. member for York South suggested the immediate payment of $100 a week to people in receipt of unemployment inusrance benefits. I know what the hon. member meant; he meant to a maximum of $100 a week—I do not think the leader of the Creditistes made that clear—or two-thirds of salary up to a maximum of $100 a week take home pay. The unemployment insurance commission plan is designed to do more than simply turn over money to the unemployed. It is designed to co-ordinate the efforts of the departments of manpower, health and welfare, labour, the Unemployment Insurance Commission and other social agencies across the country that have a common interest in the work force of this country.

I would be insulting the members of this House if I suggested that unemployment could be solved immediately; that we can continue to compete with other countries that are highly automated. To do this we must first rationalize the textile industry in Quebec, for one, which is so labour-intensive that it will price itself out of existence if it does not automate. Automation may, of course, cause some unemployment, at least temporary unemployment, until this new automated industry becomes competitive with that of other countries.

This is a process now going on in the textile industry, as the Minister of Industry, Trade and Commerce (Mr. Pepin) mentioned some months ago. The minister may or may not have mentioned that he is also studying the shoe industry. Where Canadian industry is fully automated and has the economy of scale that the auto and steel industries have, then Canadian workers are as productive, in some cases more productive, than their United States or Swedish counterparts. But this requires new thinking on the part of governments. It means, at times, having the courage to create temporary unemployment intentionally.

It takes a great degree of courage for the Minister of Industry, Trade and Commerce to say to the textile industry of Quebec: "If you want to survive you must rationalize your industry. You must accept automation and technological change. You must let us help you rationalize your industry, even if this puts 50 per cent of the workers in the textile industry out of work temporarily". Because this kind of automation is the key solution to our problem. We must make the transition from labour-intensive industry to highly automated industry or this country will not survive in the export market. Certainly, we cannot survive simply by exporting primary products. Our production must be competitive and we must expand our exports of secondary products. This will result when we automate labour-intensive industries such as textiles and shoes.

• (5:00 p.m.)

An hon. Member: Where are the new ideas?

Mr. Mackasey: They are newer than the hon. member.

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member, but I do so to advise him and the chamber that his time has expired.

An hon. Member: Continue.

Mr. Deputy Speaker: Is there unanimous consent that the hon. member continue?

Some hon. Members: Agreed.

Mr. Mackasey: Well, I cannot satisfy everybody at once.

An hon. Member: Talk about the seventies.

Mr. Mackasey: I rarely can understand what anyone says when he talks in his sleep. If the hon. member wants to talk in his sleep, he should go outside. It takes courage sometimes to create unemployment. We have created unemployment in the textile industry and we will probably create it temporarily in other industries as we automate and as we rationalize these industries.

So far as the Unemployment Insurance Act is concerned, it should be before the House fairly soon. The co-operation of the particular committee which was seized of this problem, and which met during the summer months and early fall, was commendable. I gather its report was fairly unanimous. If my review of the recommendations is accurate, the report endorses most of the proposals in the white paper. July 1 is the

target date in respect of the legislation and with the usual co-operation of the House I visualize little difficulty in meeting that target date. The new plan will, I believe, provide not only more moneys for the temporarily unemployed of this country, but will provide a better education for people where education is a problem or is the root cause of unemployment. This should help young people as they enter the work force for the first time. Several members, quite properly, alluded to these people. The government will have to look after the older people who are affected by automation. This will be done through other plans such as the TAB program which was introduced simultaneously with the auto pact. When we rationalize the auto industry it will be up to the government to do something for the people who are displaced because of age or because of an inability to adjust to the new plan so that they will be able to finish their days with dignity.

In conclusion, let me say I take no consolation in the high rate of unemployment, but I am consoled by the fact that although the number of unemployed people in 1970 has been relatively high it has been much lower than in the period between 1958 and 1962 when the Tories were in power. The people now are better off because they have at their disposal not only manpower programs, the Canada pension plan, the Quebec pension plan, transitional benefits, mobility grants, but also additional jobs because of regional and economic expansion. Together with others, these are programs designed to help the Canadian people as a right and not as a privilege.

Mr. Deputy Speaker: Order. The hon. member for York South (Mr. Lewis) is rising to ask a question, but since the minister's time has expired it would have to be asked with unanimous consent of the House. Is there such unanimous consent?

Some hon. Members: Agreed.

Mr. Lewis: Mr. Speaker, I would merely ask the minister, since he referred to the manpower training plan, whether he retained in his mind the fact that those who are in receipt of allowances and are receiving training are not included in the figure of 538,000 unemployed. If they were considered as unemployed, another 100,000 would have to be added to that figure.

Mr. Mackasey: Mr. Speaker, the hon. gentleman has made my point. The 1960 figure would be 100,000 higher because there was no manpower program in those days. In setting up the proper department, we had the vision to provide the proper measures to take 100,000 people off the unemployment rolls and give them up to $108 a week under certain circumstances as well as provide them with an adequate upgrading of their skills and their education where necessary.

Mr. Deputy Speaker: Order. Is the hon. member rising to ask a question?

Mr. Baldwin: Yes, Mr. Speaker. Would the minister also agree that, in addition to having high unemployment in Canada, in 1971 we have the highest cost of living this country has had for a great period of time?

Mr. Mackasey: Well, the Leader of the Opposition today mentioned the very tools we used to combat inflation. He suggested that one thing we must not do is lose track of the need to continue voluntary restraints in wages and prices. I think these were his words. In other words, he endorsed precisely the policies introduced by the Minister of Finance.

Mr. Deputy Speaker: Order, before I see the hon. member for Charlevoix (Mr. Asselin), perhaps hon. members would permit me to deal with the notice required in respect of the adjournment proceedings this evening.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Thunder Bay (Mr. Penner)—Canadian National Railways—reduction of passenger service in Northern Ontario; the hon. member for Regina East (Mr. Burton)—Wheat Board—production and receipts policy—statement in budget respecting stabilization payments; the hon. member for Hillsborough (Mr. Macquarrie)—Trade—development of U.S. markets for Atlantic provinces' products—transportation facilities.

GOVERNMENT ORDERS

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Benson, that this House approves in general the budgetary policy of the government and the amendment thereto of Mr. Lambert (Edmonton West) (page 1808).

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I listened very attentively to the speech that the Minister of Labour (Mr. Mackasey) just delivered.

Even with my great admiration for the minister, I must say that his speech is the weakest he ever made since he became Minister of Labour and that it merely amounts to an attempt to justify the government's incompetence in dealing with unemployment.

When a Minister of Labour feels the need to uphold the government's position, to refer to the previous

administration, namely the Progressive Conservative administration, and to compare unemployment figures for 1958, 1960, 1962 with the present statistics, this shows that the government is unable to come up with a solution to solve the present unemployment problem.

The minister says: We, in the government, need the understanding of the population and of the members; we seek their suggestions to solve the unemployment problem. I could retort to the minister and to the government members that we have been making suggestions for a year and a half. However, every time the opposition has made representations or suggestions and a problem was settled, the government hastened to say. The opposition had nothing to do with that, we on the government side found the solution.

• (5:10 p.m.)

In this house we have often said and I say it again: the government was elected to administer the country. It is not up to the opposition, but rather to the government, to solve the problems now facing the Canadian people.

Now, Mr. Speaker, if we analyze the speech delivered by the Minister of Labour, we find that the government offers no solution but acts as if it did not care a hang about the problem and the required solutions.

The opposition has been talking about unemployment We can recall that from 1958 to 1963 when we were in power, the former prime minister or the former hon. member for Essex-East used to ask questions to the government about the unemployment situation.

An hon. Member: But there was no unemployment at that time!

Mr. Asselin: There was and it may have been the reason behind our defeat in 1963. It also explains why this government will be defeated in 1972 unless they find solutions to cope with this national problem.

Some hon Members: Hear, hear!

Mr. Asselin: But recalling the past will not solve our problem. We must look ahead and the government should be able to tell us the kind of solutions they are considering.

In September 1970, the Economic Council of Canada warned the government about the unemployment situation, as we can see on page 21 of the report titled:

"Performance and Potential mid-1950's to mid-1970's", and I quote:

> We regard recent and current rates of unemployment as unacceptably high. Canada probably now has the highest rate of unemployment among the more industrially advanced nations, even after allowance for the differences in the bases for unemployment estimates. The current rate is about double the medium-term target for Canada suggested in our *Sixth Annual Review*. The building up of unemployment to such high levels reflects a very considerable enlargement of burdens and hardships imposed on individuals and families. It also reflects a considerable waste of human resources and a large economic cost to the whole society.

All that can be found in that report.

> Reducing this high level of unemployment must therefore be considered—in human, social and economic terms—as a matter of the highest priority.

What is the present situation? As a Quebec member I would like tonight to describe the present situation in Quebec.

At the time of the last provincial election, the Quebec people were given false hopes. Seconded by the federal Liberal party, Mr. Bourassa stated that in 1971 he would create 100,000 jobs. This was a fine electoral slogan. The unemployed who heard that promise could think that among those 100,000 jobs there would surely be one for him. The Liberal party got into office in Quebec thanks to it.

It was said that if the Liberal party was elected in Quebec while a Liberal government was in power in Ottawa, there would no longer be any problems for Quebekers. Everything would be fine. What is the present situation in Quebec? We have there 197,000 unemployed, i.e. 8.4 per cent of the working population as compared to 7.2 per cent in November and 6.7 per cent for the same period in 1969.

In Quebec, the number of unemployed has increased by 31,000 in one month only and this is exactly half the unemployment increase for the whole of Canada.

The City of Montreal has 2,000 more unemployed than last year at the same date. There were 62,346 unemployed at the end of December. In 1970, only 10,000 jobs have been created in Quebec as compared to 50,000 the preceding year. And the Union Nationale government of that time was no good. It has created 50,000 new jobs in 1969. It is reasonable to hope that this total will reach 14,000 when December figures will be known. In the first eleven months of 1970, there were 10,000 new jobs and 23,000 new unemployed due to the fact that there were 33,000 more people in the labour force.

Such a statement of affairs makes responsible people think because it is a dark picture and it brings people close to desperation. In short, this situation is intolerable in a country such as ours.

We are talking about 25,000 young jobless in Montreal. Many of them are educated.

One of the most modern education systems has been introduced in Quebec. I agree on that point. But the present government forgot one other principle: when providing retraining and trying to educate the young people, we must also find employment opportunities for them. This has not been anticipated!

This is why when we are in our office or in our constituency, people come to ask for employment. They are almost desperate when they realize that conditions are worsening from day to day with no prospective solution to their problems.

Without making any practical suggestion, the Minister of Labour merely blames the previous administration even though the unemployment rate is higher at the present time.

It is not surprising then to note that there is turmoil and dissent in Quebec. It is not surprising that the Quebec Minister of Labour, Mr. Cournoyer, stated not long ago: If conditions do not improve, the number of persons bent on revolution will increase! If we do not take all possible steps if we do not face the conditions and reality, what worries me is that we will never have enough policemen to control the reactions of those victims of our system.

He is not the only one to say such things. The Quebec premier, Mr. Bourassa, said last week that he was concerned and questioned the possibility of creating 100,000 jobs. He did not propose any solution, neither did he say what measures his government might adopt in order to remedy the situation.

Also in the province of Quebec, leaders in industry are sounding the alarm. Mr. Daoust, for instance, said that a disaster is imminent when one finds an 8.4 percent rate of unemployment in Quebec, and that 11,500 permanent jobs were lost last year.

Last night, I read in the papers that such an important concern as SOGEFOR was laying off 800 workers. This concern is made up of four plants which have cost the public and private sectors $9 million.

• (5:20 p.m.)

When we know that 52.8 per cent of business bankruptcies reported in Canada take place in Quebec and the Minister of Labour (Mr. Mackasey) feels satisfied with the steps taken by his government until now to correct the situation, I say that the government shirks its responsibilities.

Mr. Speaker, what are the causes of such a situation? Obviously some will say it is the October crisis, but the October crisis did not come out of the blue. On the contrary, it had roots; unrest existed before but the government had not been wise to it.

The Leader of the Official Opposition (Mr. Stanfield) was saying this afternoon that the main cause of this unrest was the fiscal policy of this government. In this regard, I would like to have recorded in *Hansard* a statement made by Claude Ryan of the newspaper *Le Devoir*, in the January 18 1971 issue, in connection with the fiscal policy of the government, which reads as follows:

> With regard to public finance, the Trudeau government has followed one of the most reactionary policies . . . Obsessed with the idea of a balanced budget, it has forced provincial and municipal governments, by driving them to deficit budgeting through its fiscal miserliness, to increase their debt abroad—
>
> The government has also—
>
> —withdrawn from the private sector such a large share of the national product that this sector has lost much of its punch—
>
> —at the expense of the majority of workers. Thus—
>
> —numerous categories of citizens, who depend more directly on government allowances, have been reduced to an income level close to poverty.

[Mr. Asselin.]

Mr. Speaker, if our country is to survive, the time has come to return to a more dynamic concept of public finance. I continue to quote:

> The government should offer new incentives to economic agents whose decisions and creativity are essential to economic development.

For almost three months we have been asking the government to re-establish the winter works program so that instead of making people dependent on welfare funds or unemployment insurance as the present government wants to do, paying them measly allowances, they may be provided with jobs.

Many of our welfare recipients are not interested in welfare grants. A large number of them are on welfare because they have to be. Most of them would like to have jobs.

Why did not the government re-activate the winter works program? It will be said that the system produced fraud. This is obvious. But it is possible to pass legislation to prevent it. It is more interesting for a person who is engaged in winter works, in a municipality, to earn $15 a day than to receive a scanty allowance of $150 a month. He is less inclined to idleness and passivity.

Mr. Speaker, we made suggestions to the government. When we asked it to remove the 11 per cent tax on building materials, why did it turn a deaf ear? It would have been possible thus to provide work for the unemployed. People would have sold more manufactured products.

When the government was requested to drop the 3 per cent surtax, what did the Minister of Finance (Mr. Benson) answer? It had been imposed for one year only. The Minister of Finance maintained it.

I heard this afternoon the leader of the Ralliement créditiste (Mr. Caouette) speak about taxes, the 3 per cent surtax; it is his party that voted in favour of maintaining the 3 per cent surtax in 1967—along with the government.

Mr. Speaker, when when will the federal government give up part of its jurisdiction to the provinces so as to permit them to use the best economic means to face their situation?

This afternoon I put a question to the Minister of Regional Economic Expansion (M. Marchand) who answered that the federal government had given Quebec $150 million to fight unemployment. Then we are told that from those $150 million, $68 million will be earmarked for the building of roads in Montreal. How many jobs will this create, Mr. Speaker? Fourteen hundred jobs for $68 million! The building of roads entails expropriations, the purchase of land; judiciary and extrajudiciary expenses have to be paid. Then, is it logical to grant $68 million to fight unemployment and create only 1,400 jobs in Quebec? I am not blaming the Quebec government for accepting this money and for building roads in Montreal but I suggest that it is illogical that only 1,400 jobs should follow.

I am taking the floor because I represent a riding where unemployment is at its peak and 25 per cent of

the labour force is idle. When the Minister of Regional Economic Expansion claims that the granting of subsidies is creating employment I say that they are not distributed proportionately throughout the province, since several ridings of the Lower St. Lawrence region and the North Shore have received nothing.

We have made representations. At Sacré-Cœur, in my riding, a card-board plant has been set up by the C.F.U. and the farmers have invested several thousands of dollars into it. Government help is necessary and we need a few million dollars. We called on the Minister of Regional Economic Expansion. We were sent back to Quebec to inquire whether the Quebec government would agree to the proposal. Mr. Speaker, this cardboard plant at Sacré-Cœur could provide jobs for some 1,500 people.

To what use were put the grants from the Department of Regional Economic Expansion? Indeed, such grants have helped some industries, but have jobs been created in numbers as large as was hoped? Have the unemployed benefited from them to the maximum? It was said today that automation and technology have entered the labour market. Formulas should be found to directly help a worker find employment. And this is the challenge that this Parliament and especially this government should meet considering the tragic situation facing us at the present time.

Mr. Speaker, there is also need for a more thorough selection for retraining among the labour force. In that respect, huge amounts of money are being lost in my own constituency and in several others in the province.

In my constituency, housewives are attending seventh grade classes, to receive $60 per week of course. The housewife hires a babysitter for $15 per week, and she earns $60 per week while retraining. For what purpose does she need retraining?

• (5:30 p.m.)

Retraining courses should be more rigorously selective, to prevent the taxpayers' money from being wasted in such a shocking way.

Mr. Speaker, the government's employment policy and fight against unemployment have failed. They resorted right off to a long term policy. What is being done? Were there consultations with the economic councils and Chambers of Commerce of each area? Those people, Mr. Speaker, have studied all aspects of the situation. They spend hours and hours examining economic conditions in their area and find solutions to their problems. The Minister of Economic Regional Expansion as well as the Department of Labour should immediately have a mobile team meet the responsible persons from those regional economic councils as well as the Chambers of Commerce to seek advice from them on projects that could be launched immediately in order to alleviate unemployment in Canada and especially in Quebec.

Mr. Speaker, another way would be to ask this government whether they are really willing to fight unemployment. A federal-provincial conference on unemployment problems should be convened immediately, a conference which municipalities' representatives could attend so as to find solutions to this acute problem. When an emergency occurred in Quebec, emergency measures were passed. Unemployment has now become an urgent issue and the government should take the steps available to them to cope with the situation.

Should the government, in spite of all our suggestions, Mr. Speaker, persist in not making rapid, urgent and efficient decisions in order to fight against unemployment, it will show that this government was not sincere when they talked about war on poverty, that the prime minister's "just society" slogan was merely window-dressing and that the government was not ready for action. In concluding, Mr. Speaker, I say that if the necessary steps are not taken in order to cope with this problem, this government will be very severely judged by the Canadian people on the day of reckoning.

[*English*]

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, it is an understatement to say that the time has come for us to shift primary emphasis in economic strategy for policies of restraint to expansionist policies. In the budget address, the Minister of Finance (Mr. Benson) was pleased to note how well Canada has succeeded in containing inflation. Perhaps we have succeeded too well.

Since we are a relatively thin economy which is dependent upon foreign trade more than any other country in the world, we cannot afford to have a rate of inflation which exceeds that of our trading partners, making our goods uncompetitive. On the other hand, it is not good for us to have zero inflation when inflation gallops ahead in countries which are our suppliers and our customers. If we have zero inflation, or an acceleration too far below that of the rest, we find, especially with the long-term capital inflows which Canada generally attracts, the balance of payments pressures pushing our dollar upward. Thus there is the possibility of as much damage in this direction being caused as accelerating prices would cause. The hardness of our dollar, in which the minister took such pride, can be as much a problem as inflation itself. This, for example, is the testimony of the pulp and paper industries.

The target, I suggest, is to have only slightly better performance than the others. It is easy enough to say this, but the implication is that our policy has to be that of hitting a moving target whose momentum can only be guessed, and of having to fire the shots well ahead of time. This, I feel, shows how tough the job of formulating price stability policies can be. No one has to be reminded that fiscal and monetary price stability policies which have been pursued have implications on economic growth and employment and that in some areas the results produced by the government's policies have been unacceptable, especially if one considers the regional implications.

It is too simple and too misleading to focus on one economic performance target at a time. When ministers of finance assess the performance of the economy and make their periodic prescriptions, they must do so in terms of a number of goals and not just shoot at one.

These important goals include full employment, reasonable price stability, sustained economic growth and a stable balance of payments.

Looking at the problem around us in the Canadian economy today we can see how difficult it can be for the government to meet the challenge of finding that balance. Why is it so hard? The measure of the challenge has a number of dimensions. They are: First, the apparent cyclical nature of a free market economy. Second, the extent of our dependence upon foreign influences over which Canada has no control, both in the international market for capital, long and short term, and in the international market for commodities and goods. Third, the division of jurisdiction over the public sector in our federal system, with its implications for taxing, borrowing and spending. Fourth, the lag between the occurrence of economic events and the collection of sufficient information to permit them to be seen. Fifth, the lag between the taking of corrective action and the coming into effect of such action. A final element is the limited number of measures which the government has chosen so far to adopt in order to achieve the economic performance goals. This is the aspect of the problem on which I wish to concentrate.

The present administration has increased the number of measures that it is prepared to adopt, but not far enough. Fiscal and monetary policies have been relied on, and their regional and sectoral impacts have been sharpened by this government more than by any of its predecessors. In addition, more effective measures to increase the geographical and occupational mobility of labour have been devised and heavily financed. Rationalization of industries, agricultural, industrial and financial, is taking place to some degree, with important government intervention. Hopefully, more will take place through an improved competition policy which has been promised for this month. There are efforts to improve the workings of the marketplace through better consumer information.

The budget that we are debating, Mr. Speaker, calls for a direct stimulation to the economy. The Minister of Finance has referred to it as a $2 billion shift in direction. Some critics would like to see the government spending more, and spending it faster. In addition, there are calls for sweeping tax relief. I ask, what are the implications of this about-face which is indicated in economic policy? After buying price stability by paying so high a social cost in unemployment—a toll which may get worse before it gets better—is the government going to abandon the inflation battle without taking precautions against the recurrence of inflation? The hard fact is that for all the experience of the last 18 months we are launching the economy into a phase in which there will inevitably be increased pressure on prices, which will heat up the economy, and yet we have produced no new tools for cooling it off. The government's defence to this charge is that the expansionary policies chosen are more selective than expansionist policies have been in the past. I submit that these assurances are not entirely convincing.

Canada, Mr. Speaker, needs a policy of selective controls on prices and incomes. We need machinery to control prices, to control rents, to control wages and to control incomes. Jawboning does not work, public pressure does not work, guidelines do not work, and voluntary formulas have failed for want of volunteers. We need a system of controls, and so far this government, which has been very determined in its economic policies, has not had the guts to propose one. Especially in dealing with the labour sector, the government has not yet shown the kind of courage which will achieve results. Of course, a system of controls presents its own problems.

Firstly, it should be recognized that a free market is preferable to one with controls. The Gallup polls recently taken tell us that the public is prepared to accept price controls. But how much public understanding is there of the implications? One of the fundamental values in our society is the free bargaining process, labour being free to bargain for the price it is to be paid for its services and producers being free to determine the goods which they wish to produce and the prices they will seek to obtain. Whatever policy of controls we adopt, its ultimate objective should be a return to the free market. Second, selective controls are inevitably unfair because they permit the sectors which are not selected to continue to exercise whatever market pressure they can, and in the state of our present marketplace this can be considerable. For this reason, a package of controls would have to be selected on a basis which would be politically acceptable to a broad cross-section of the Canadian people.

• (5:40 p.m.)

It seems clear that the danger area in the economy today is wage pressure. This is demonstrated by the price performance of labour in the market in the past year of economic decline. Historically, the labour market has responded like other markets to pressures of supply and demand. More recently, labour, especially unionized labour, has ceased to be a dependent variable in the economic picture. Wage increases are an inexorable, independent variable: they tend to move independently, irrespective of market forces.

In contrast by no stretch of the imagination can corporate profits, however measured, be considered the culprit in today's inflation. Notwithstanding this, I cannot imagine an imposed control on labour costs being acceptable or successful without some control on rent, which is one of the greatest and fastest growing expenses of the average Canadian. Again, justice would require some control over the incomes of the professionals who serve the public and of management personnel, particularly in the key industries which might be chosen for wage control. A third consideration is that the controls must be used on a short-term basis.

It can be seen that permanent price and incomes controls could not be selective. They would have to be comprehensive, otherwise there would be a damaging distortion of the economy as resources moved from the controlled to the uncontrolled sectors. Further, the longer the term of the control period, the more complex the machinery would have to be. Inevitable inequities, which may be sustainable on a short-term basis, would have to

be ironed out by reviews and appeals as the term lengthened.

A final problem that I want to touch on is the need that such machinery be established and put into place quickly when it is required, complete with the bureaucracy needed for administration and policing, and the necessity of communicating quickly to all individuals affected a clear understanding of their responsibilities. For this reason, I would propose that Parliament enact a kind of economic war measures act, that is to say, that a control system be legislated but not put into effect for the time being.

Let us have a proposal from the government that can be considered by Parliament, interested groups and the public at large. Let us improve it as a system through the process of public participation; and then let it sit on the shelf for implementation if and when special sectors or regions of the economy begin to heat up as expansionary policies now being debated take effect. Then when the powers are required to be put into place, there will be the public understanding and acceptance which is necessary to make them work, and there will be an effective method of breaking the spine of the inflationary spiral.

Mr. Frank Moores (Bonavista-Trinity-Conception): Mr. Speaker, the budget speech shows vividly that the government and its advisers do not realize what is going on in the economy of this country. In view of the unemployment figures recently released, the budget speech, which when presented was an admission of the uncertainty of the government on the unlikely course of economic developments in Canada, has now shown further the grossly inadequate appreciation that this government has of the economic situation.

The budget, Mr. Speaker, is the product of a man who really does not know where the ball is going to bounce. It offered no immediate stimulus to the economy. It was based on an assumption that the economy will swing up. In the most recent unemployment figures, as has been reviewed by my colleagues, we have seen the numbers of persons unemployed leap to the highest point experienced in Canada in ten years. What was the reaction of the Minister of Finance (Mr. Benson) to this situation? It was the usual verbal platitude, "that new measures included in the budget... would start to take effect in the near future". I would like to know what the Minister of Finance means when he uses the word "start". When does he intend to start? It is obvious that he has not started yet? How does he intend to start? There is certainly nothing in this minibudget to allow for even a ministart—and what is required is very much more. It would seem obvious, Mr. Speaker, that this government has only one economic transmission, start, stop and reverse, but obviously no ahead.

At the end of last December there were in Canada 150,000 more people unemployed than at the same time a year ago. In total, 538,000 able-bodied Canadians were unable to find work. This figure of 538,000, Mr. Speaker, is the number of people eligible for work, but a great many others are affected and affected directly by these people not being able to find employment. Taking the average number of dependants per worker in Canada, we have between 1,700,000 and 1,800,000 Canadians, men, women and children, directly suffering the cruel effects of unemployment. This means that the number of people directly affected by unemployment in Canada today is more than the population of any province in Canada with the exception of Ontario, Quebec and British Columbia. In fact, it is more than the total population of the three Maritime provinces.

The present situation has been reached as a direct result of government action in certain areas, and inaction in others. At no time have we seen planning with wisdom, or even reaction, once the crisis was obvious. Even now, when the crisis is upon us, what is the government's position? The Acting Prime Minister noted that the government had predicted a steady reduction in unemployment and now says, "We have no reason to change this forecast". He further indicated that the government has no immediate plans or new crash programs aimed at easing unemployment.

I think it is now quite obvious to even the most complacent Canadians—except the government, which seems to be the most complacent of all—that this government is incapable not only of planning with any degree of wisdom but of even carrying out any worth while plan that may be offered by others. We have a situation facing Canada that approaches the catastrophic, and it is handled by the Acting Prime Minister, the Minister of Finance and the other ministers with all the initiative we have come to expect from computerized inertia. Successful programs and accurate forecasting have never been the government's strong point, yet members of the cabinet are quoted as remaining optimistic about the economy and are sticking by earlier forecasts predicting a steady reduction in unemployment. This afternoon we heard the Minister of Labour (Mr. Mackasey) say it took courage to create unemployment. He seemed to be proud of it. I say it will take wisdom to correct it, and this is what is lacking.

• (5:50 p.m.)

We have been advised that the ranks of the unemployed have risen by 13 per cent since the end of November—40 per cent above the figure at this time last year. And still the government remains optimistic. What does it take to persuade the government to accept the reality that a very real crisis faces the country and that something must be done about it? We need a great deal more than we have witnessed lately, which one could almost call government by extrasensory perception.

One of the characteristics of the government since its election is that it has treated people as if they were numbers: it has depended upon the computer to provide the answers, when what is needed is realization that Canadians are individuals, individuals with human emotions. People cannot be computerized, nor can their emotions. By failing to recognize this, the government has been responsible for the cruelest neglect and waste of the greatest resource a country can have—the people themselves. The government deliberately ran down the econo-

my in order, we are told, to fight inflation. What we have seen is the fighting of inflation at any cost—and the cost has been far too great. The unhappy feature all along is that the government has been behind the play; it was late getting on to inflation, and late getting off. It took so long to recognize the situation that it had to go for the overkill.

The Prime Minister (Mr. Trudeau) was quoted as saying on December 23 that inflation had been licked. Inflation may have been temporarily subdued, Mr. Speaker, but for the Prime Minister of Canada to encourage the public to believe that inflation has been licked is misleading. Wage increases during the last six months cannot but be reflected in price increases in 1971. The bond market, which is the best indication of the government's handling of the economy, exposes the Prime Minister's statement that inflation has been licked. Rates for long-term lending are still very high, and the long-term security yield has budged almost not at all.

The treasurer of the Ontario government, Mr. MacNaughton, called upon the federal government on December 7 to expand the output of the economy, to stimulate the economies of high-growth regions. He warned provincial and municipal governments that they would be forced into incurring higher levels of borrowing and/or tax increases if Ottawa continued its policy conducive to low average growth. One step the Minister of Finance should have taken immediately was the ending of the 3 per cent surtax. Canadians expected him to announce tax cuts to stimulate the economy. Instead, he imposed an additional tax, as it were, by retaining the surtax.

Canada cannot afford continued excessive unemployment. The Economic Council estimates the country has lost $3 billion in production because of high unemployment levels. The government accepts this inhumane, disgraceful fact with complacency. The Minister of Transport (Mr. Jamieson) was quoted on January 2 as saying he would accept an unemployment rate of 6 per cent, or even a rate as high as 10 per cent. No Canadian should accept this, Mr. Speaker, and any representative of the Canadian electors who does should resign.

The supplementary estimates approved in the closing hours before the Christmas recess are another indication of the direction of economic policies of this government. Sixty-nine million extra dollars were needed to finance the public debt because the government had been forced to borrow more than was originally intended. Fifty-one million extra dollars were needed for payment to the provinces under the Canada Assistance Plan because more people were on dole, had been forced on dole, than was expected.

What the government does not realize, apparently, is that once the economy has intentionally been slowed down, it cannot be stimulated again by words alone. People who a few years ago were expanding and developing the economy as entrepreneurs have become frightened of government policies and are reluctant to begin again where they left off. You cannot just turn a switch and change the mood of the people. Something much more positive and meaningful must be done to get the economy going again. A great many businesses have slowed to a walk. The easing of interest rates on money probably means they will not actually go bankrupt, but neither will they develop to the extent which is required. Speaking of bankruptcy, I say that mental bankruptcy seems to be the forte of this government. It is vital that hon. gentlemen opposite admit they are wrong, if only for the sake of the people they were elected to serve.

The stark statistics of unemployment are the most eloquent comment which can be made on the failure of the government's economic policies. The Minister of Finance cannot, or will not, offer the slightest hope that the worst may be over. Neither can he fall back upon some statistical rationalization by saying that the seasonally adjusted rate is improving. It rose last month, and there is every indication that later this winter these figures will become much worse. Yet the government carries on in the same optimistic vein, predicting that things will get better soon.

Regardless of what the government may say, unemployment is the direct result of its economic mismanagement. Surely members opposite must realize by now that their policies are altogether inadequate. I plead with the Minister of Finance to be honest and truthful with the people. We must tell the people the truth about the seriousness of unemployment, and the government should release its forecasts showing how bad it is likely to get. Only after first admitting the gravity of the situation will we be able to find a solution for it.

May I call it six o'clock, Mr. Speaker?

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Moores: Mr. Speaker, as I was saying at six o'clock, before the government can find a solution to unemployment it must appreciate the enormity of the problem facing Canada. Trying to curtail inflation by creating unemployment has not worked in other countries and it will not work in Canada. The government's policy of deliberately creating massive unemployment to stem inflation is wrong. It is easy for me to criticize lack of action by this government over the past year or so, but the future is what is important now. Where do we, as a nation, go from here? What can we do to initiate a policy that will not only correct the present situation but ensure that a similiar situation does not happen again in the years ahead?

It is essential that we implement tax cuts, as was outlined by the Leader of the Opposition (Mr. Stanfield) today, and it is imperative that the Minister of Finance give consideration to making these tax cuts immediately for the good of this country. Even doing this now will

mean that it will take time before the effect is fully felt, but it is imperative that it be done now in order that the situation does not get out of hand. The over-all Canadian economy must be put back on the track, and it is the duty of this government to take the first step by acting now.

High unemployment affects all Canada, but particularly the have-not regions. In my province of Newfoundland the situation is very much worse than in any other province in Canada. At the end of last August, the provincial department of social services and rehabilitation revealed that 93,000 Newfoundlanders were receiving assistance from that department. That in itself indicates that almost 19 per cent of the population are on social assistance. The recent unemployment figures show that 68,000 men, women and children in Newfoundland are directly affected by unemployment. This, in a province with just 500,000 total population, is a staggering statistic.

One notices in the statistics for all of Canada that 8,940,000 was the number of people in the work force in November, 1970, and 8,329,000 was the work force in December. This is a drop of 611,000 people in the work force in one month. The minister shakes his head, but these are the figures published by the department. These 611,000 people find it impossible to get work, and after many calls to manpower have just given up in frustration. Many of this group live in areas such as Newfoundland where work opportunities just do not exist. Their dropping out of the work force is now shown in the unemployment figures. I believe that if an accurate assessment were made of the Newfoundland work force, it would show close to 20 per cent of our population presently unemployed, and this figure will increase as the winter progresses.

The Premier of Newfoundland does not even admit that we have an unemployment problem. As a matter of fact, a short time ago one of his ministers said on a television program that a "wave of prosperity" was sweeping across the province. No problem will ever be solved if those in authority do not first realize that it exists. In Newfoundland the government is forecasting a miniboom for next summer. If this occurs, so much the better. But the question should be asked: What about next winter? What we are seeing in Newfoundland is the creation of temporary jobs of a seasonal nature, with virtually no consideration being given to long-term prospects. The Premier is introducing a master plan—or, as some prefer to call it, "The master's plan"—at an economic conference he has called for February 4, 5 and 6.

• (8:10 p.m.)

Any plan for Newfoundland would have to include heavy inputs of money from the federal government. Yet last Monday in this House, when asked if any special plan was being prepared for Newfoundland, the Minister of Regional Economic Expansion (Mr. Marchand) admitted having no knowledge of such a plan and afterwards intimated that he did not have any knowledge of the conference. This is the type of harebrain scheme we have come to expect from the provincial government in Newfoundland. There are promises and more promises, but very little is accomplished.

Newfoundland is badly in need of a plan for its future development. It needs a great deal more than the Department of Regional Economic Expansion has provided to date. An infrastructure for industrial development is being established. No one can say that services are not required nor that they are not desirable, but they will be meaningful only if the people who are to use them have the opportunity to earn enough to maintain a decent standard of living, which is not the case at present.

A short while ago the Atlantic Provinces Economic Council met with the House committee here in Ottawa. They suggested that Prince Edward Island and Newfoundland be included in the incentives program of the Department of Regional Economic Expansion which is to be made available for primary industries. I agree with this and believe it is very essential. The federal government, with approval of the provincial government, has a wrong order of priorities. The problems of Newfoundland are very different from those of Montreal. The type of urban, bureaucratic thinking we have had to date will not work in Newfoundland.

The Atlantic Advisory Council was commissioned to undertake a study in Newfoundland to determine why the regional incentives program is not working. It is not working, and the minister and his department are aware of this. I hope when they find the answer they will come up with something that will be workable in our province. To date the program of the Department of Regional Economic Expansion has created very few permanent jobs in Newfoundland. The reason is that the department responsible for that program has ignored the resource development of our province which many people, including myself, feel is by far the top priority if we in Newfoundland are to establish our identity. Our people must develop an excellence in what they know, and they must develop the industries that are natural to their situation. It is not reasonable to expect Newfoundland to develop a sophisticated industrialized base. The people of Newfoundland have not been trained for sophisticated industry. Our people have a knowledge of the industries with which they are familiar. The people of Newfoundland want the industries to become better than they already are.

The future of rural Newfoundland must include the development of the resource industries and the establishment of an excellence in respect of these industries. It makes no more sense to establish an industrialized base in Newfoundland whereby our people would have to become involved in scientific training, than it does to ask the maître d' of the Queen Elizabeth Hotel to operate a chainsaw. We must develop our primary industries, which would include direct assistance to small operations based on raw materials such as fish, lumber, minerals, agricultural products, and so on. We are witnessing a program that will create part-time jobs while what we must have is full-time employment.

Our people must be given the opportunity to contribute to this great nation. Regardless of the Premier's attitude there is in Newfoundland a reawakening of the people who want to opt in. Our people in Newfoundland are basically peaceful, but they are becoming fed up with government mismanagement and misinterpretation both at the federal and provincial levels. They want opportunities. They want to play their part in Canada and not be treated as second-class citizens. It is the responsibility of the federal government to develop programs that will realistically help develop provinces such as Newfoundland. It must be realized that the people in these areas will never have the same degree of affluence we find in large Canadian cities. However, the degree of affluence must be increased so that the people can live decently and enjoy the many advantages their locations provide.

The province of Newfoundland has a great future. The resource potential is greater than that of the other Atlantic provinces put together. This resource potential must be exploited for the benefit of all the people and not just a few, as is presently the case. As I said earlier, the people of Canada cannot be treated as just so many numbers. Each individual and each region is different, and all in their own way have a contribution to make. This has not been appreciated by the present government, and it must be if our country is to have the destiny which is rightfully ours, from Newfoundland to British Columbia.

Mr. Benson: Mr. Speaker, I should like to ask the hon. member a question. It is not in any way in criticism of what he said. If I heard him correctly, he indicated there had been a decrease in the labour force of 611,000. I heard this figure and I am sure it is wrong. The change in the labour force, on a seasonally adjusted basis, was 65,000 and on a non-adjusted basis it was 79,000.

Mr. Moores: What is the actual figure?

Mr. Benson: I just gave it, if my hon. friend would listen.

Mr. Deputy Speaker: Order. I understand the minister asked a question. If the hon. member wishes to reply, he may do so.

Mr. Moores: The information I received this morning from DBS would indicate that the figure for November was 8,940,000 and the figure for December was 8,329,000. After having made a mistake a few days ago, I am sure the minister would not want to make another one now.

Mr. Benson: I would simply say I have not made a mistake.

Mr. Deputy Speaker: Order, please. Would hon. members resume their seats? I believe we are entering into an area of debate; it is not a matter of question and answer. I recognize the hon. member for Winnipeg South Centre (Mr. Osler).

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, before entering into this debate I should like to clear up a small matter. I am a great admirer of the province of Newfoundland. I have visited it only once, but from what I have seen it would appear to be an intriguing place. However, there are not eight million people in Newfoundland; therefore, I do not know how eight million people could be involved.

Mr. Deputy Speaker: Order. Would hon. members resume their seats?

Mr. Moores: Mr. Speaker, I should like to inform the hon. member that Newfoundland did join confederation and I was talking about Canadian and not Newfoundland figures.

Mr. Osler: It does not really matter whether we are talking about eight million people, 800,000 people, 80,000 or eight people in Newfoundland who are unemployed and who find difficulty. The point is that no one on either side of this House has the slightest reason to rejoice when there are unemployed people in Canada. Therefore, I do not think our intent or either side of this House differs greatly.

• (8:20 p.m.)

It rather appalled me that the only constructive criticism I have heard so far today on this subject has come from the government side of the House and not from the opposition side; yet it seems to me the opposition should be the ones to criticize constructively. So I would like to add my little bit of criticism, after saying that I must agree with the Minister of Labour (Mr. Mackasey) that much has been done since the last time we had a bad unemployment problem in this country. Much has been done to make this grievous problem less grievous for those who are suffering from it. But much more must be done and we must reach the time when we do not have unemployment at all.

For a moment I would like to consider the country as a whole and ask, as one who comes from a non-central province, are the dice loaded in this confederation of ours? I think they are. I think the central provinces control the House of Commons, and therefore they must control the caucus of any national party that has gained power in the House of Commons. The Fathers of Confederation anticipated this. They supposed they would be able to have the regions represented equally by setting up a Senate to which they would give regional responsibilities. But the Senate does not represent regions, and because Senators are appointed it is very hard for us to convince anyone that the Senate represents anyone at all.

Even if the Senate were truly to represent regions, then the Fathers of Confederation did not allow for western Canada becoming part of confederation later, and we have never had the right number of Senators to represent our region in confederation up until today. So I say there is something wrong in confederation; there is something wrong at the seat of power. The federal government always derives all its power from the centre, because the federal government gets its power solely by representation by population, which cannot help but be

detrimental to those living in Manitoba, Newfoundland or anywhere else that is not at the centre.

To solve the problem of unemployment and many other problems, we need constitutional reform. I will not talk tonight about constitutional reform. We also need reform of the rules of the House of Commons, which does not necessarily call for constitutional reform. We are not a unitary state, and it is ludicrous for us to go on into our second century pretending that to embody unitary machinery for our government, which is good enough for Britain which is a unitary state, is good enough for us. It is not good enough for us. We need constitutional reform. But be this as it may, in recent years there has been a new concern for true federalism in Canada and a new concern for the unemployed and the unemployable, as the Minister of Labour pointed out this afternoon. The present government has shown very encouraging signs of heeding this concern in both directions, so that some day Canada may provide equality of opportunity for all its citizens no matter where they live or under what circumstances they happen to have been born. Surely that is the good thing toward which we must always work.

I want to illustrate what I am talking about. I picked up the *Globe and Mail* of last Friday and found on page 1 two important articles on the subject of pollution. The first article said that the lower Great Lakes and portions of the St. Lawrence River already constitute a serious health hazard, thanks to industrial and human pollution. Canada's share of the clean up costs would be around $211 million, in 1968 dollars. The second article said that rapid urbanization and industrialization will accelerate this trend. Within 30 years, more than half of Canada's population will have become concentrated in the St. Lawrence valley and the lower Fraser River valley. So there will be a very serious pollution problem in two beautiful areas of Canada. Does this have to be so? We as Members of Parliament can do something about it if we really want to.

During the holidays I read Pierre Berton's book "The National Dream". I think it is a very interesting book and I would like to paraphrase one thought in it. He said that before confederation, Canada was a country whose population was trapped in the prison of the St. Lawrence lowlands. Now, 100 years later, does it make any sense to sit idly by while the average Canadian needlessly and mindlessly reimprisons himself in that same St. Lawrence Valley and fouls his prison irrevocably in the process?

It is my contention that the latest budget of the Minister of Finance (Mr. Benson) will, unwittingly I am sure, add its little contribution to the process of fouling up this prison that is being reconstituted in the St. Lawrence valley. All of us surely must decry this process and the fact that it is continuing. This budget may also tend to add to another form of pollution, which is mind pollution, namely, regional discontent that any thinking person who is interested in Canada as a whole must equally abhor.

Let me tell hon. members why I think this is so. In the minister's budget speech I heard no less than six observations and statements indicating his and the government's concern for the principle of equality of opportunity for those living in Canada's various regions. I found, however, that in the specific measures the Minister of Finance proposed, only about a third of them seemed to me to have any direct bearing on the aim of narrowing the regional economic differences which presently exist. Yet it is in regional differences of economic opportunity that the root causes of our present grave unemployment problem are to be found.

Forgive me, Mr. Speaker, for illustrating this statement by being very Manitoban in my approach to the subject. In the latter part of 1969 it became clear that the main impact of the government's anti-inflation policy was being felt in Ontario, British Columbia and the Prairies. There were other problems in other places, but they had been continuous or were consistent. These were the ones that showed up as aberrations at that time. Demand was certainly excessive in Ontario and British Columbia, and the government was right when it attempted to cool things in these two areas. Perhaps adverse results on the Prairies, which might not have derived from this policy, could be blamed on the world wheat glut. Well, today the Prairies are selling wheat again. But when we look at the latest unemployment figures we find that the Prairies, Ontario and B.C., in that order, have experienced the greatest percentage of unemployment increase, compared with the increase in December of last year, of any of the provinces.

The Prairies are trying to diminish their relative dependence upon agriculture. For its part, my own province has made real progress in this direction. Manitoba's figures for 1968 reveal that while agriculture accounted for only $480 million, manufacturing was $1,052 million, and mineral productivity was up to nearly $200 million. This should be a healthy trend, one toward which we are all working and one that we hope to accelerate, but our markets for manufacturing are as follows: Some 37.8 per cent of Manitoba's markets are in the rest of Canada, with Ontario and Quebec together being by far the largest portion of these customers, to the extent of roughly 20 per cent. On the other hand, our foreign markets amount to only 5.5 per cent of our manufactured production. In other words, we depend to a large extent on the very markets that the federal government has been trying to cool, while our manufacturers, unlike those in other places, share only marginally in the benefits of Canada's booming export trade.

• (8:30 p.m.)

But if you look at the corresponding figures for Ontario and Quebec, you find that their manufacturers depend upon sales to the rest of Canada to the tune of a mere 13.2 per cent as compared with our 37.8 per cent, far less than either their domestic consumption or their exports to foreign lands, which together account for some 86.6 per cent of their production. We in Manitoba consign or export only 62 per cent. Thus, Manitoba is far more vitally concerned with prosperity in central Canada than one might at first suspect, and Ontario for its part is far less concerned with the west. Here we see a fundamental

change from the days of long ago, and here we see that when you diminish activity in Ontario and British Columbia to fight inflation, Manitoba's prosperity is bound to diminish. Other parts of Canada may have needed deflation last year, but we certainly did not need it in Manitoba.

Now, I should like to look at some population figures for a moment. In 1911, the Prairies had 18.5 per cent of the population of Canada and enjoyed 12.2 per cent of the seats in the House of Commons. In 1931, that figure had gone up to 22.6 per cent and Manitoba enjoyed 22 per cent of the seats in the House of Commons. In 1951, that figure had gone down to 18.1 per cent of the population, with only 18 per cent of the representation in the House of Commons. In 1968, Manitoba had dropped to 16.7 per cent of the population, with only 17 per cent of the representation in the House of Commons. It is quite clear that Manitoba and the Prairies have slowly dropped in relative importance, both in population and representation. This has happened since the mid-1930s, and our net migratory figures back this up. Between 1951 and 1956 Manitoba lost 185 people. From 1956 to 1961 Manitoba lost 4,360 people, and from 1961 to 1966 it lost 28,960. Unofficial figures show that this trend has continued from that point.

These facts reveal that trade links within Canada no longer pull east and west, if you look at this matter from the viewpoint of a westerner. They do not seem to bind the east and west together as they did in days gone by. Canada's trade centres are important, but Manitoba's relative trading position within confederation is diminishing all the time. At one time the population of the Prairies was growing and providing domestic markets for the centre. It grew and provided domestic markets for the centre until the 1930s, but it has been steadily declining as a market in recent years. So has the muscle of the Prairies in the House of Commons been declining. At the same time, the importance of the external market for the central province has been increasing steadily.

Thus my figures show, Ontario may be prospering by exporting goods from Canada, but we are exporting chiefly our unemployment problem. We in Manitoba have been an exporter of people for years. We export them to Ontario, Alberta and British Columbia. That is why our seasonally adjusted rate of unemployment is only 4.3 per cent, well below the national average. Our unemployment problem is relatively much less severe than it is in many places, but there is very little consolation in this because the people we might otherwise have available to employ have simply left and swollen the ranks of the unemployed in other parts of Canada. When times are good these people have left Manitoba, they have added to the population problem in Ontario and B.C. and they have contributed to inflation in the areas to which they have moved. Then the federal government has taken anti-inflationary measures that inevitably clobber Manitoba and some other provinces as well. Manitoba was clobbered last year as an unintended by-product of federal government concern to keep our exports competitive and to keep inflation from taking hold in central Canada. Now we find when times are not so good, the federal government comes along with remedies based on total unemployment figures at above 4 per cent, which inevitably benefit chiefly the provinces which caused the trouble in the first place but presently have the highest number of unemployed.

Very few measures proposed in this budget will help to improve Manitoba's relative position in confederation, a position, as I have said, that we have seen slowly being eroded over the last 20 years. Some of those measures will apparently worsen that position. By themselves they are good measures and I will certainly support them, but they show little evidence of truly federal thinking, and federal thinking is required today as never before. One chief objective of a federal state must be to bring into balance the elements that make up the whole. This is the stated objective of the government that is presently in power. We must never forget this objective. To achieve it we must return to our earlier preoccupation with the national axis we have built, the axis that flows east and west. If we fail to do so, we are nothing as a nation. Furthermore, we must deliberately foster policies that will move our surplus population into the west and into the north.

Immediate hope for a change must lie in the activities of the Department of Regional Economic Expansion. I was glad to hear the minister say that upward of $300 million will be spent in 1971-72. But I would like to know what yardstick will be used to allocate these funds. If unemployment is the sole criterion, the money will evaporate as far as Manitoba and some of the other provinces are concerned, because we have exported our unemployment for years. On the other hand, if the yardstick is to be equitable economic opportunity for all regions, which is the stated objective of this government, we in Manitoba will be able to retain our hope for the future of Manitoba and Canada as a whole. Regional economic expansion, coupled with measures already being taken to get Prairie agriculture on a sound, long-term basis, may then become something that is truly effective as we go into our second century.

I have in mind regional economic expansion, plus rationalization of agriculture. A third vital measure which I propose is a regional stabilization fund. Some machinery must be devised so that monetary and fiscal policy can be regionalized in this federal state, and provincial fiscal policy can then be used for purposes of stabilization. I am heartened to know that various ministers of finance are devoting some thought to this problem. I repeat, some way must be found to stimulate or hold back the economy in a specific region without affecting the Canadian economy across the board.

Dr. André Raynauld of the University of Montreal proposed such a scheme some time ago. He is a very respected economist. It would seem to me that the federal government has accepted some of his suggestions, at least in part, by creating a loan fund of $150 million for provincial public works. But by making actual unemployment figures the sole criterion, the government has made it impossible for the fund to contribute to fiscal planning on a regional basis, which is what Dr. Raynauld was

talking about in the first place. Yet that is one key element in any progress that Manitoba and several other provinces vitally need.

The prime, long-term objective of this or any other federal government must be to work toward a more equitable distribution of income and employment opportunities in Canada as a whole. We must never forget this fact. I have spoken about Manitoba but no doubt my remarks apply to other areas as well.

• (8:40 p.m.)

I commend the minister for his budget. I hope that his next budget in March and his new tax bill, for that matter, will show more aggression toward the question of regional disparity. Then we shall be able to look forward to a Canada in which it is no longer necessary to turn the St. Lawrence valley and the lower Fraser River into a polluted slum, for then, Mr. Speaker, there will be equality of opportunity for Canadians everywhere, no matter where they may choose to live.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, the performance of the Minister of Finance (Mr. Benson) tonight in answering an opposition member's question reminded me of a cartoon in today's paper in which the caption reads, "You will feel better when you are seasonally adjusted". I am sure that the unemployed who are walking the streets do not care if we are talking about actual or seasonally adjusted figures. They know they are unemployed, they know there is some reason for their unemployment, and they know the government is not doing anything to help them.

Canada today is a computerized society in which there is unemployment and underemployment. Apparently, most of our problems are fed into computers and before taking decisions the government consults its computers. It seems that the government is not prepared to ask sociologists what the trouble is in this society; it would rather feed some facts into a computer and try to obtain answers that way. It is high time that people realized our society is being controlled by computerization. Until our people realize this, the situation will not be corrected.

Some who have no knowledge of the matters concerned are trying to bring about change. The Organization for Economic Co-operation and Development has substantiated the fact that Canada has the worst unemployment figure in the western world. That is nothing to be proud of. Apparently the Prime Minister (Mr. Trudeau) says, "It is normal to have unemployment." I suggest that the Prime Minister—who is overseas riding turtles, or whatever it is he is riding—ought to be more concerned about Canada. I am sure that we do not disapprove of an individual's recreation or relaxation. However, we want our Prime Minister to stand up and be counted before the nations of the world. His conduct in going off on a weekend when dynamic questions must be settled in the world, was disgraceful, to say the least, and it is hightime the people of Canada told this government that they want the Prime Minister to stand up and tell the rest of the world where we stand on certain questions.

We may well ask ourselves who has created the long queues across Canada for unemployment insurance benefits. Who has made queues outside soup kitchens the norm? The other day I saw the Leader of the Opposition (Mr. Stanfield) on television. He was outside a soup kitchen in Vancouver. No doubt he could tell many stories about what he saw in that city. Other members of this House could also recount what their constituents have told them. As a matter of fact, the day before yesterday I learned of an individual, 50 years old, who worked all his life. Now, because he cannot find employment, he must stand in the soup line. He has raised a family and now he is humiliated and is asking himself what has happened to him in this society. It is high time situations like his were corrected.

We must not do what the Prime Minister is suggesting. He is suggesting that only by creating unemployment can Canada fight the inflation that is besetting it. One man alone cannot create the confusion we see around us. The Prime Minister is surrounded by many people who advise him. I understand that he has his own little hierarchy which operates independently of the cabinet. The people in this hierarchy tell the Prime Minister what he should do.

I cannot for one moment imagine the Minister of Labour (Mr. Mackasey), who spoke this afternoon, really saying what is in his mind, because he merely parroted certain words and phrases. We do not expect the Minister of Labour, the Minister of Manpower and Immigration (Mr. Lang) or the Minister of Regional Economic Expansion (Mr. Marchand) to say, "We are not concerned about people". This makes me wonder whether it is not the Prime Minister's hierarchy that is prepared to do away with the pride and dignity of individual Canadians and to curtail their civil rights, as happened recently.

This afternoon the Minister of Labour suggested to my colleague, the hon. member for York South (Mr. Lewis), that those who are taking manpower retraining are not effectively shown among the ranks of the unemployed. He tried to suggest, in my opinion, that those who are receiving manpower retraining should not be included among the ranks of the unemployed. Yet I have heard of situations across this country, Mr. Speaker, in which people who tried to obtain manpower retraining were not able to obtain it because they had not been on the labour force for a sufficient number of weeks. In other cases, people were not eligible to be paid relocation costs because they had gone out and obtained jobs on their own. I think these are matters the minister ought to look into.

Only last night the editor of one of the Montreal newspapers called Canada the "the publicipatory" democracy of Mr. Trudeau, and I agree.

According to well-documented figures and facts mentioned this afternoon, it appears that unemployment in this country has increased by 40 per cent since last year. We know that these figures do not necessarily tell the whole truth, because many of the unemployed will not go down to the unemployment insurance offices and be classed among the unemployed; neither will they go to

offices offering social aid and place themselves in a humiliating position. Many people across this country are parroting the phrase: things could be worse! But I suggest that if one examines the facts he will see that things will be worse. The facts show that they will be worse, and this government has told the House of no plans for making them better.

I now turn to the situation in Saskatchewan. The Liberal Premier of that province makes much of the fact that unemployment on the Prairies, particularly in Saskatchewan, has not increased appreciably. I know that the hon. member for Saskatoon-Humboldt, the Minister of Manpower and Immigration, is a personal friend of the Premier of Saskatchewan. I also know that he would like to try to educate the Premier of Saskatchewan. That feeling seems to be mutual as between them.

The Premier of Saskatchewan has suggested that unemployment in his province stands at only 2.5 per cent. The Dominion Burea of Statistics says that it stands at 4.7 per cent. The DBS says that in 1969 only 16,000 persons of the combined work force were unemployed in Saskatchewan, and that in 1970 the figure remained at 16,000. Yet according to DBS figures, 4.7 per cent of the people were unemployed. The Premier prides himself on his figures; they look good. But the export of unemployed to other parts of the country is nothing to be proud of. I suggest that the Premier of Saskatchewan had better look at the situation across the country so that he may know what it is all about.

Mr. Lang: Mr. Speaker, would the hon. member permit a question?

Mr. Skoberg: If it is not too long.

Mr. Lang: I wonder, in the matter of the export of unemployed from Saskatchewan to British Columbia, whether the hon. member has included the leader of his party.

Mr. Howard (Skeena): That is a truly sarcastic response. The minister sounds just like a professor—no brains, but all smart talk.

Mr. Skoberg: Mr. Speaker, I realize the minister's position. He is a friend of the Premier of Saskatchewan and he wants to protect him in the coming provincial election. Of course, that is not why the minister is worried. He is worried about what may happen in the next federal election. He may face problems of his own in Saskatoon-Humboldt, Saskatchewan.

Mr. Howard (Skeena): He may even go back to the university.

Mr. Skoberg: As the leader of the NDP (Mr. Douglas) suggested, he may not be back here. I wish to deal with some of the problems in the province of Saskatchewan. On October 1, 1968, the population of that province was 926,000. On October 1, 1969, the population was 956,000, and on October 1, 1970, the population was 933,000. There was a drop in the population in Saskatchewan of 23,000 at a time when there also should have been a normal national increase of 10,000. There are 33,000 people who should be living in Saskatchewan today but who are living elsewhere. This is attributable, mainly, to the Premier of that province and Liberal policy. It is no different in Saskatchewan than it is at the federal level, even though they may like to divorce each other. We have seen that happen. There has been quite a lot of discussion about abortion, and I am sure one applies to the other.

• (8:50 p.m.)

In a four month period, 7,000 people left Saskatchewan. What does this mean? If these 33,000 people had remained in Saskatchewan, it is estimated that the unemployment figure in the province would be in the vicinity of 9 per cent. The Premier of that province was interviewed by Charles King of the Ottawa *Citizen* on December 11, 1970. Mr. King was on a coast-to-coast expedition to catch the Canadian mood. The Premier was interviewed with regard to the general mood of the province. Mr. Thatcher is quoted in the article as saying as follows:

> We had our depression here last year. Now we have the lowest unemployment in the nation—only 2.5 per cent.

The article continues:

> Premier Thatcher thinks it is a tragedy that Prime Minister Trudeau doesn't pay more attention to the west if for only selfish political reasons.

I do not know if the minister from Saskatoon-Humboldt is aware of the fact that for selfish political reasons he could swing some of the central Canada wealth to western Canada. We have heard about how much money went into wheat input, but there has not been very much encouragement with regard to most of the province. Mr. Thatcher was asked by Charles King what he planned to do in the future. Mr. Thatcher said it will then be time for someone else with new ideas to take over. Although he had not made up his mind, it may be his last election to fight. The article reads:

> "And when I go, it won't be to return to Ottawa or accept a Senate appointment."

I understand the Premier of Saskatchewan receives a federal pension. The article continues:

> "I've got 10,000 acres running with cattle, and when the weather gets cold, I can always take a holiday in the south. What more can I ask?"

I ask Premier Thatcher whether he would consider passing a little of the 10,000 acres over to the 33,000 people who found it necessary to leave that province. The time has come to look at the situation to see whether we are really concerned about the population. Are we concerned about co-operating with certain people, or with the people in general? In my opinion, this is not being done. I believe the situation in Saskatchewan also holds true so far as the federal government is concerned. The Thatcher Liberals have not used all the money avail-

able for public housing. I do not blame the federal Liberals for this. If there is unemployment in Saskatchewan, and the government has not used all the money that is available, who is to blame for the unemployment in that province?

When do the Thatcher Liberals start planning their winter works program? In the middle of the winter the Saskatchewan government decides what to do. Hon. members know that nothing can be accomplished with planning of that nature. The hon. member who spoke before me was quite concerned about the problems of Manitoba, even though he had some good words for that province. The province of Manitoba started to plan its winter works projects last spring and some are being carried on at the present time. The government of Saskatchewan allocated the grand sum of $15 million for winter works. In Manitoba, $74 million was allocated. If the government of Saskatchewan is trying to create employment in this way, I say that province has the wrong government. I am sure something will be done about this situation at the next provincial election. Some of the announcements made by the Minister of Public Works (Mr. Laing) and other ministers with regard to establishing new projects were as a result of the pressure put on them by opposition members. Pressure was also applied by many thousands of people in today's bread lines. The government knows there is no way that the announced programs can begin this winter.

There will be a very opportune time before the next federal election to lower the unemployment figure. The government knows that by lowering the unemployment figure they can possibly get back in the good grace of the people of this country. I have confidence that the people of this country will remember the length of time they spent on the unemployment rolls and trying to get a bowl of soup. They will remember when the government brought about unemployment. It has been suggested that the Prime Minister is gearing all these programs for a federal election. The Prime Minister has stated we must now fight the economic ill—unemployment. Why has he waited until now? Not very long ago a businessman told me he would be happy if there were a line of unemployed people stretching from his doorstep to the street so that he could pick who he wanted. I wonder whether the federal government and the Treasury Board are using the same philosophy?

This afternoon the Minister of Labour spoke about people getting together, and gloom and doom. I wonder whether he has talked to the Canadian Chamber of Commerce. They claim that law, order and pollution are all top issues. I wonder whether the minister has told them not to preach gloom and doom or we may lose some of the carrots hung out by some corporate enterprises. This is another situation wherein the unemployed are not being considered.

There have been many recent news releases and observations in connection with Information Canada. I do not know whether the government is trying to adopt the philosophy of Canadian National Railways, Canadian Pacific Railway and other companies in connection with contracting out. Information Canada does not hesitate to unload people with many, many years of government service. One such individual is Mr. Stranks. A newspaper article concerning Mr. Stranks reads as follows:

> In the past year Mr. Stranks feels the branch has been cutting back on expenditures and "generally tightening up the operation" to meet Treasury Board edicts that it pay its way—
>
> Mr. Stranks charged that Information Canada was following the government hard line so closely that it was sacrificing talent to its budget goal.
>
> "No computer or accountant can tell you the people, the talents and the experience you will need. It can't evaluate related strengths in various fields."

The computer is trying to take over from human beings who are needed in today's world. There is no consideration whatsoever to social issues. In the nineteenth century there were what were called robber barons. They accumulated everything that they could without any regard for mankind or the social and economic concerns of the society in which they operated. We see this today in the actions of the government. There are robber barons in the transportation system. The president of the Canadian Transport Commission is a typical robber baron. I understand that he has one philosophy with regard to the operation of the Canadian Transport Commission, that is, to do away with anything he considers to be not in the best interests of the fast buck process of the railways. As far as I can figure out, the only criterion under which the CTC is operating now, under the direction of its president, is to make sure of a dollar wherever you can, without worrying about service to the people.

• (9:00 p.m.)

We saw a typical example of this in connection with the recently announced abandonment of trains 7 and 8. The railway company called it a curtailment because they hoped that by doing so they would avoid having to hold a public hearing. The Minister of Transport (Mr. Jamieson) told us the other day there would be a public hearing. We shall have to wait and see. But under this proposal about 57 men on the work force will be directly affected. In addition there are whole communities which will no longer be served under the proposed arrangement—communities where the primary source of employment is the railroad. Again, we will find one factor affecting another, one abandonment leading to another right down the line.

Across this country from Newfoundland to Victoria, passenger trains are being abandoned. The Transport Commission and the Minister of Transport himself have initiated research projects in this connection but these projects have not been completed. I am sure that had they been completed they would have shown that some of the abandonments should never have taken place.

I see from a news release that the Minister of Transport the other day announced the automation of the Canadian portion of the world wide ICAO aeronautical,

fixed telecommunications network. The report stated in part:

> Not only has the adoption of this automated system provided improved message transmission standards, but savings in the order of $500,000 a year have been made by the department through reductions in office space, equipment and personnel.

Again we find arrangements made designed to bring about reductions in the number of personnel employed, without any provision for the social climate in which these people live. Similar considerations apply to the CNR servo centres which are being introduced across the Canadian railway system. My information is that as many as 4,000 jobs will disappear with the implementation of these centres. The plan is proceeding, apparently, without any thought being given to the situation of communities which used to have services provided along the line. Again, workers are being told: You are through, fellows. You have been here for 20 years, but too bad.

Most of us have read about the large amounts of money which have been put into the bilingual program. I am a firm believer in a bilingual program, but it makes no difference whether an individual speaks six languages—if he is unemployed, he is unemployed. Millions of dollars are being spent today on language training, and in the end the people who have been able to take advantage of this training find themselves still unemployed. I agree 100 per cent with the leader of the Créditistes when he said some time ago that the bilingual program should start at the bottom and work up to the top.

There is a need for people who are able to speak two languages in this country, but there is also a need to make this possible under a system from which everyone will benefit. It should not be brought in in an atmosphere where individuals in government departments and elsewhere are more concerned about that program than they are about an employment program. The recent settlement with General Motors is an example. The language issue presented no difficulty when the workers were given job security. When people from coast to coast have the opportunity to work, the rest will work itself out. But this does not appear to be the way in which we now operate in Canada.

On May 4 I asked the Prime Minister (Mr. Trudeau) the following question:

> In view of the Prime Minister's assurance to Mr. Bourassa of Quebec that he would help him to meet his pledge to create 10,000 new jobs in that province by the end of 1971, can the Prime Minister give a similar assurance to the Premier of Saskatchewan who in 1964 promised that 50,000 new jobs would be created within four years?

Of course, Mr. Speaker, you correctly said "Order, please," as you did today, and the question was ruled out of order. The people of Quebec and Saskatchewan know that political promises of this type can do more harm than anything else to the unity of a nation.

I also note that the Quebec Minister of Labour said recently that the province faces more social unrest and political instability if mounting unemployment there is not checked. A news report states in part:

> Asked whether this would mean revolution, he replied: "Well, if you want to put that type of word in my mouth, fine. It leads to revolution, certainly not evolution."

[Mr. Skoberg.]

I would ask hon. members to recall what others have said as far as revolution and evolution in that province are concerned. The Quebec Labour Minister recently made the statement I have quoted, that perhaps there could be revolution. But has he been brought up under the provisions of the public order bill which was recently before the House? Not long ago the leader of the Liberal Party in B.C. said there could be blood running in the streets of British Columbia. What are these people saying? When one person tries to warn the government about social and economic problems in the country he is accused of trying to bring about an insurrection. But what is the government really doing about its friends, Liberals, who make the same kind of statements on television and in the press?

I turn from those unfortunate remarks, in my opinion, by the Minister of Labour of Quebec and the leader of the Liberals in British Columbia, to the activities of the Minister of Manpower and Immigration who is also concerned about wheat. One special interest of his is retraining. He has tried to chase the farmers off the land so that he can retrain them, I suppose. I am sure this is why the Prime Minister put these two jobs together. The minister has not yet told us how he intends to put to work the farmers who have been chased from the country into the cities, but we know they will have to take on the lowest jobs there are. No better example of his approach could be found than the proposal for a production and grain receipts policy. In a description of these proposals, on page 20, I find under the subheading "Encourage adjustment of farm units to more efficient sizes", the following:

> The problem of farm consolidation is one which is not peculiar to the prairie region and which, perhaps, is less critical in this region than in other areas of Canada. It is therefore believed that it would be inappropriate to propose programs for the prairie region to deal with the consolidation issue in advance of the availability of programs to deal with this problem in Canadian agriculture generally. Such a general plan is in preparation.

I can only say that I hope the minister in charge of the Wheat Board, who is responsible for this proposal, will tell the people what it is all about. If he does not tell these people, then they are the ones who will become unemployed. Corporate farming will become consolidated and many more people will join the family of unemployed in this country. I urge the minister not to make a hasty decision with regard to this program, and to take into consideration those people who will be affected.

• (9:10 p.m.)

Mr. Speaker: Order, please. The hon. member for Hamilton Mountain (Mr. Sullivan).

Mr. Gordon Sullivan (Hamilton Mountain): Mr. Speaker, since this is the budget debate I intend to speak about the cost of our medicare program, because if we do not do something to alleviate the cost we will find ourselves unable to afford medicare whether or not we have unemployment. It is to be hoped that this government will take a long, hard look at some of the rampaging costs and questionable services that have arisen as a result of our present health care philosophy. Undoubtedly, much good

has been achieved by this government's medicare program, but we must examine whether or not this good is sufficient when we consider the cost.

In 1957, Canada spent 3.23 per cent of the gross national product on health care and occupied third place in health care costs throughout the world. By 1966, Canada was spending 4.55 per cent of the gross national product, passing the United States, New Zealand, Great Britain and Norway, on health care costs. The cost of physicians' services rose from $271 million in 1957 to $605 million in 1966. According to the task force on medical care, in 1970 it is probable that Canadians paid just over $1 billion for physicians' services, out of a total personal health bill of $4.7 billion. If we project this forward to 1980, it is estimated that total costs for health care will be nearly $14 billion, with hospitals taking around $10 billion and physicians' services around $4 billion.

It is our responsibility to see that these costs are controlled without sacrificing our ideal, which must be to provide good medical care to each and every Canadian. Ideally, all Canadians should be protected by a health care program which a truly universal scheme would provide. In some provinces—I am speaking specifically about Ontario—this admirable quality has not been achieved. It is reported that approximately 98 per cent of Ontario's population have health insurance coverage. Some have hospitalization without medical care, and some medical care insurance without hospitalization. Two per cent does not seem very much, but in Ontario it amounts to around 140,000 individuals. If these people fall ill, with hospital beds at $60 to $100 per day and medical and surgical fees as they are, this amounts to a real catastrophe for their families. The people without coverage fall into four main categories. First, minorities in ethnic groups, often with language difficulties who do not understand the necessity for application forms. The complexities of having their premiums subsidized in part or in whole when necessary completely eludes them. The second group comprises youth who want no part of establishment premiums, transient tobacco field workers and various other "travellers" with no fixed addresses. Often these people are in poor health and need more care than the general population. The third group is those people who believe they are covered but when sudden illness strikes find to their horror that they are not. Neglect of the last premium notice, errors in billing, change of address and human forgetfulness account for this group.

The fourth group is the young, newly married couples who are not planning a family and are anticipating good health. To them, the monthly $11 for hospitalization and $11.80 for doctors' bills seems a waste of money. No doubt many of them do not require health care, but an emergency appendectomy or an automobile accident without insurance coverage is a staggering blow to their already meagre resources.

In our examination of our health care philosophy it is hoped that we all remember that it is twofold. We must not only insure people against financial hardship arising out of illness, but it is incumbent upon us to prevent the illness itself. The degree of our victory over such diseases as typhoid, diphtheria, and in our own time tuberculosis and poliomyelitis, came not from advances in health care schemes designed to pay doctor bills but from our ability to prevent disease.

Setting aside for a moment all of the humanitarian aspects and human suffering caused by illness, let us consider how many dollars and cents can be saved by prevention. Let us take cancer of the lung as an example. It is, as hon. members know, the most common form of cancer in the male. Leading authorities agree that it is 85 to 90 per cent preventable by proper health education to eliminate cigarette smoking. The addicted unbelievers here should carefully reread the report of the Standing Committee on Health, Welfare and Social Affairs on tobacco and cigarette smoking, presented by the hon. member for Hull (Mr. Isabelle) in the 1969-70 session. The pamphlet "Smoking and Health" from the Royal College of Physicians of London, England, also emphasizes the importance of prevention of this form of cancer.

Let us suppose the disease is not prevented and for a moment follow the usual course of treatment of a lung cancer patient. First, diagnosis must be made. This usually entails hospitalization, repeated sputum examinations by cystologists, multiple X-ray studies and tomogram studies by radiologists, and a bronchoscopic examination. To decide whether opening the patient's chest is warranted, a lymph gland biopsy under general anaesthetic is carried out. If all is favourable, a few days later removal of the lung or part of it is done. This is a long, difficult procedure. Two or three days or more in intensive care with highly trained nursing care, oxygen, respirators and chest suction, etc., follows the surgery. Massive radiation treatment at great cost, usually with the cobalt bomb, is given before or after surgery, and often both. Recurrences are common and a long lingering decline in a nursing home or hospital is usual. Approximately 5 to 6 per cent of all people with lung cancer survive five years.

Forgetting about each one of these unfortunate patients for a minute, let us consider how many thousands of dollars each one requires for such attention, and with so little to show for it in the final result. It is no wonder vast sums are paid for health care under our present system. As matters are now, the first line of defence is prevention of disease, early intervention and health education, and this lies with the general practitioner. In 1955 there were 9,800 general practitioners in Canada and 4,800 specialists, making a total of 14,600 practising doctors. The population of Canada was 15 million. In 1965 there were 10,000 general practitioners and 9,400 specialists, for a total of 19,400. The population was 19 million. Between 1955 and 1965 the population increased by 18 per cent. In these ten years, the number of specialists increased by 94.6 per cent but the number of general practitioners increased by only 4.1 per cent. These figures demonstrate the increasing lag between population growth and the number of family doctors.

In view of these facts, it is apparent that government spending must be more firmly directed toward producing more general practitioners to keep pace with the increase

in population, and away from the expensive post-graduate training for specialists. This is the only way day-to-day family medical care needs can be satisfied. With each passing year hordes of eager, well trained neurosurgeons, orthopaedic surgeons, internists, neurologists, and so on ad infinitum, finish post-graduate courses, and each year there appears to be less and less need for them. In a country with the population of Canada it is unwise for each and every one of our medical schools to be an assembly-line factory, producing every variety of specialist. Canada simply cannot afford to support these comparatively unnecessary training programs with federal funds. The over-all doctor-population ratio in 1957 was .79 per 1,000 population, and in 1966 it was .86 per 1,000 population. So if the surfeit of specialists could be diverted into general practice, the family doctors who now have too little time to spend on prevention of disease and education of patients would be better able to perform these functions.

• (9:20 p.m.)

A general practitioner who sees anywhere between 30 to 60 patients in his office in one day has little time for health care or education. Since this is of prime importance, it follows that much greater emphasis must be placed upon the development of larger graduating classes to general practitioners. The old-time family doctor on call 24 hours a day, seven days a week—friend, counsellor and father to his patients—is fast becoming a legend of the past. The bell is tolling for the passing of the individual, competitive practice of medicine. The game has become too complex and too complicated. Doctors themselves are recognizing this is a practical way. To provide good grassroots medical care, clinics should be encouraged and geographically scattered to allow easy access to all our people. These should not be large nor burdened down with non-productive administrative personnel.

Basically well trained nurses, laboratory technicians and other paramedical personnel would assist the physician in his work by performing many of the routine tasks. Each clinic would have access to the services of certified specialists when deemed essential by the family doctor. Home care programs by visiting nurses, with house calls being made by doctors when required, could eliminate much unnecessary hospitalization. Hospitals could then devote themselves primarily to the care of the more seriously ill. Non-productive administrative staff that has nothing to do with the actual care of the patient would be trimmed to a minimum. Teaching of doctors and nurses, and whatever training of specialists is necessary, would be carried out at a few large university hospitals.

I shall conclude by quoting the Minister of National Health and Welfare (Mr. Munro) who said that local doctors' groups in their discussions and examination of our health care system should keep an eye on duplication of services, should look for ways in which we can take a more balanced approach to health care and should make recommendations regarding more efficient operation of the system, as well as continue to improve the quality of our health care system.

[Mr. Sullivan.]

Mr. Rose: Mr. Speaker could I ask a question of the hon. member?

Mr. Sullivan: Yes, Mr. Speaker.

Mr. Rose: I was very interested in the hon. member's concern about health care and health costs. I ask whether he sees perhaps a diminution of health costs under medicare or under the various other schemes we have across Canada, and whether he would recommend that doctors abandon the very costly fee-for-service basis of charging for health care.

Mr. Sullivan: Mr. Speaker, I suppose the hon. member was not listening to me. I certainly think they should abandon the fee-for-service.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I am happy to participate in this debate which I can only term most important under the present circumstances.

I assume that the aim of the Minister of Finance (Mr. Benson) in his last budget was the reduction of unemployment, which has developed into a very serious problem both in Quebec and in the other provinces.

This situation of course is getting more and more critical and people are losing confidence in the government because of the increasing climate of unstability.

Catchy slogans have been dreamed up, such as "just society" and "Quebec at work for 1971".; The government seems to have lost control of this situation, and I must simply recall that in 1968 the number of unemployed was near 300,000 whereas today there are about 600,000.

In spite of the tremendous amounts of credit injected into the economy of various areas, and especially into that of Quebec by the hon. Minister of Regional Economic Expansion (Mr. Marchand), that action apparently was not enough. In fact, we still hear day after day about industries folding up or about substantial reductions in the number of workers in various Canadian industries. Obviously, the injecting capital as was done by the Minister of Regional Economic Expansion is necessary, but in my opinion it is equally important that the existing industries be protected and I think that the government's hesitation in limiting the import of certain goods that we produce in Canada accounts for the closing down of a certain number of plants and for the substantial reduction in personnel.

Several members have spoken before me and they all have quoted statistics which are becoming more and more tedious to listen to. I think that during this debate it is not enough that we should know what is happening. It is also our duty to submit suggestions liable to promote government action and this, not only in order to regain the confidence of the Canadian people, but to provide jobs for an impressive number of unemployed. We are all

committed to seeking the solutions they need to earn their living honourably.

Of course, this could be an opportunity to express only strict criticisms of the government. I still believe it to be the duty of all members to seek solutions. The government, if it shows a minimum of broad-mindedness, could accept good suggestions in order to improve this increasingly critical situation.

I cannot help mentioning the situation prevailing in Quebec.

• (9:30 p.m.)

I imagine that other hon. members will take the liberty of discussing what they are most interested in, that is the provinces they represent. As a member from Quebec, I cannot refrain from deploring the present situation in that province.

No doubt the recent budget is very acceptable to Quebec, since an important part of the funds provided will be available to that province, but one must not believe that such injections of capital into Quebec will, in the short run, correct the situation. One must be sufficiently honest to admit that their effect may be favourably felt next summer. With regard to the present situation, it is enough to refer to a statement that the Quebec premier made only ten days ago admitting his deplorable inability to create 100,000 jobs. In fact, it is the second time that we hear the "song of the 100,000 jobs".

I was very disappointed to learn over the weekend that the development of the Sainte-Scholastique Airport which could create 100,000 jobs will only give employment to 22,000 at the most by 1985, according to the statistics supplied by the civil servants of the province of Quebec. We had been brought to dream of this extraordinary project and the majority of people on the North shore were very happy, as 22,000 jobs is a very acceptable and even necessary thing at the present time in the province of Quebec.

But why was this figure exaggerated to reinforce the slogan of "100,000 jobs"?

I would imagine that all municipalities situated near Sainte-Scholastique and those on the North shore were most satisfied to hear that this project was going to provide 100,000 new jobs. Yet sober statistics indicate that the real number is but 25 per cent of this figure.

In April, last year, we heard another promise of 100,000 jobs. With the pitiful failure that ensued, Premier Bourassa must have been hard-pressed (bourassé) by a great number of newspapermen for a good reason, over the past ten days. So, I ask all members from the province of Quebec to come to the aid of the Quebec government and to make it realize that some help from the federal government is obviously needed. I will not let the Quebec government accuse the federal members of being responsible because this promise is proving to be impracticable.

As I said, that slogan was exaggerated. Some now suggest that it was not a promise but that conditions were dramatized. It was not necessary to make such a promise to dramatize conditions; they were then dramatic enough.

I will make some suggestions, because I said that I would not merely criticize. We could make this government responsible for all the evils which Canada is now experiencing. It would be unfair to do so because some members have shown their goodwill.

Besides hesitation created an atmosphere which further deteriorated the situation. The responsibility of those in power should nonetheless be recognized. As for us, for the last two years and a half we have been trying to make suggestions which more often than not are unfortunately rejected.

We must be realistic and honest enough to recognize that the government is unable to check unemployment at present for several reasons. If unemployment is out of hand, we should be honest enough to admit it. I feel that the people insist that we tell them the truth.

In these circumstances, I believe that the federal government should seriously consider calling together representatives of labours unions, businessmen, industrialists, Boards of Trade, certain service clubs, as well as of provincial governments, in order to discuss this problem.

That meeting has to take place urgently so that a solution may be found. It is obvious that the government does not have a solution, and that it cannot find one.

Thus it has to address itself to experienced people and to let them know that this meeting is called in the interest of industry, of financiers and the government, in short of the whole population.

I trust the businessmen. I trust those who have been active for many years in industry to give advice to the Minister of Finance as well as to the Minister of Industry, Trade and Commerce (Mr. Pepin) and to hon. members.

Such a meeting would first prove the good will of the government with regard to this problem. Such a meeting would prove to the union members and their leaders, to the business world and the population as a whole that we are in earnest about trying to find a solution once and for all.

We could pretend that the present government, in charge of the future of Canada, has found a solution. While the Canadian people waited, it was realized that the government has not really found a solution, that it should ask for the help of experienced men, of businessmen. It must interest them directly so that we might find again the stability which is absolutely necessary for the survival of Canada and the betterment of its people.

Such a meeting might enable us to find solutions for processing our natural resources, here, on Canadian soil, something our governments seem to have overlooked in years past.

It seems to me that in the last few years the government applied itself to improve social measures when it would have been more urgent to improve conditions for industry. Therefore, it would have been possible to create

new jobs through research and development of new products.

Now, to turn to another subject, should we seriously consider paying the old age pension at 60? I would not know exactly how many persons of that age would qualify. I believe it would be more profitable first to set up an increased pension for people 60 and over.

With an adequate pension to live on, they would make room for thousands of young workers who are now getting benefits out of social legislation. It is inconceivable that so much energy should be wasted in Canada. It is also important to provide jobs for those who are able to work, in order to be able to pay an adequate pension to those who deserve to take a rest. The government should remember this suggestion.

• (9:40 p.m.)

We should also consider the need for student employment next summer. I have had the opportunity, recently, to ask the minister a question in this regard and he answered that he would make a statement in due time. I suggest that the time has now come. In fact, students are concerned about finding a job next summer and I think that a conscientious government should consider the possibility of providing students with summer employment.

Of course the government could consider apportioning a few million dollars more to this end but I think it is high time to restore a climate of confidence in this country.

We must consider giving all our students the possibility of earning a minimum income during the summer season and the government should set up a work program to be assigned to these youth in various fields and departments. It is too late to wonder about what we are going to do. The government must find a solution so that young people will be able, next summer, to earn enough money to complete their education.

As these new skilled workers are entering the labour market, the Department of Industry, Trade and Commerce should consider the possibility of creating as many specialized positions as possible.

Everybody must be given an opportunity for education, but it is not less important to create as many new jobs. It seems that this has not been the case so far and that our leaders have not taken due account of this situation.

In taking part in this debate, I take the opportunity to urge the government to come back not to reason, but to a more serious approach to these options, to these suggestions.

We must also seriously consider offering alternatives to all those who will eventually have to give up farming. Willy-nilly, a policy was established; it means dissuasion compelling some farmers to leave the farm. In some cases, when the operation is not profitable, consolidation is necessary to achieve profitability. I would be short-sighted if I asked the government to make sure that all the farmers will keep their farm and get enough subsidies to live on.

[Mr. La Salle.]

However, a minimum of organization is required. A number of operations should remain, provided they prove profitable. Considering such a policy, now more and more common, a government is bound to carry on a program affording those forced to relinquish their land and operations an alternative other than social welfare. Unfortunately, for some years, this is all that could be offered them. I hope that our suggestions will be accepted. We have already been urging the government to a sufficient extent.

As concerns construction, it affects a large part of the labour force in Canada. Again, I beg the government to seriously consider repealing the 11 per cent tax on building materials.

The government should also be invited to study the possibility of granting a rebate on mortgage interests commensurate to the income of the individual contemplating ownership.

Could we not also think of a short-term building policy, of paying a premium to all those who want to buy property within a year or two? Such a measure should be followed by capital investments but how can we contemplate this in view of interest rates now prevailing? How can we launch a short-term building program with monthly rents of $130 to $150? This is why it is most important to eliminate the 11 per cent tax on building materials as it would markedly decrease the price of a house and we should also set up an interest refund policy in proportion to the salary of the would-be buyer of a house.

Since the minister in charge is in the House, I will take advantage of this opportunity to draw his attention to the speculative loans which he permitted in certain regions last fall and which were welcome. These loans enabled the average contractors to benefit from anticipated loans and the small contractors to give jobs to some workers.

I agree that the government could and should normally keep at the disposal of contractors a significant amount of money. On the other hand, with the elimination of this distasteful 11 per cent tax and the adoption of a lower rate of interest, manufacturers of building material and officials of carpenters' and of other trades' associations might be encouraged to increase salaries.

Maybe a meeting between the minister and the representatives of all the construction trades associations should be considered in order to come to a 2 or 3-year agreement. There could also be an agreement on the suspension of the right to strike and the wage freeze. Thus the minister seeing the willingness of the people concerned in the building industry, could accept the provision of additional funds for the creation of a short term construction program.

I do hope, Mr. Speaker, that those suggestions will arouse the attention of the minister. I hope the government will approve such a policy for the good of those who wish to own a house.

I also wish to avail myself of this opportunity to voice vigorous protests to the government for having terminat-

ed the winter works program. We already criticized severely the government for that. The abolition of winter works shows more than ever this year what a colossal error was made and how costly it is for most of the areas in Canada. A serious study of the desirability of certain works should have been made. On the other hand, a selective system was essential as to the kind of works and the municipalities as well as the provinces should have been given a certain form of guarantee. Keeping the winter works program as regards certain public services and buildings would have enabled us to cope with unemployment. But as the government did not want to understand anything, we must now recognize that the situation is more critical than ever.

• (9:50 p.m.)

Mr. Speaker, I should like to ask the government to vote credits for the construction of sewage treatment plants in several Canadian municipalities. We want to fight pollution, but what are we doing to help the municipalities build them? As long as we continue to talk pollution, we are wasting our time. The municipalities in need of sewage plants cannot afford them; they are already overburdened with debts. The government should, in conjunction with provincial governments if need be, grant the required funds for the construction of sewage treatment plants and thus fight against pollution while creating new jobs.

I want to remind the Minister of Finance that considering the debts of municipalities, it would be opportune to grant them low-interest loans. Almost all municipalities in Quebec must spend 33 per cent of their budgets just to amortize the interests of existing debts. Large sums of money will have to be appropriated so that these municipalities may redeem their debts at a reasonable interest rate. Whether we like it or not, the way things are going it is unthinkable to let municipalities operate as they do now.

Mr. Speaker, I cannot conclude without a few words about the future of the tobacco industry. I had the opportunity to discuss the matter briefly last week when speaking to an amendment to the crop insurance legislation. I hope that the government will seriously consider the future of the tobacco industry.

I met during the weekend some tobacco producers of my area who represent 90 per cent of Quebec cigarette tobacco producers. There are still more in Ontario. They are already concerned because the government plans to introduce a bill to prohibit all publicity concerning tobacco.

I hope that the government will first pass a legislation to prohibit the entry of drugs in Canada and the use of marijuana. How can we win the people's confidence if there is talk of prohibiting any publicity relating to tobacco, an industry which brings in millions to the Canadian government? So, the mere fact of raising this question leaves people puzzled, and rightly so.

On the one hand, the Minister of Agriculture keeps on, and I commend him for it, investing huge sums in the improvement of certain tobacco soils in Canada, and, on the other hand, the Minister of National Health and Welfare makes sure to inform all the people that if they keep on smoking, they will die.

Thus, this contradiction will do nothing but widen the credibility gap among the people. Let us therefore be serious and practical; let us not allow drugs into Canada as it is being done right now, and we will then be able to consider seriously, rather than condemning the tobacco industry, undertaking studies to help the people understand better the use of tobacco. There is certainly a lot to do in that connection, and in regard to a number of other products as well.

I venture to think that Parliament, in all honesty, will have the courage to take a stand and show sincerity, if we are to really regain the public's confidence and establish a favourable climate. In this way, all financiers and businessmen will come to trust Parliament again and believe that it is possible to find a solution to the unemployment problem so that we may know better times. I hope that this two-day debate will not have been useless, that the time for words has come to an end and that the government will take some concrete measures for the good of the Canadian people.

The Canadian people will be able to regain confidence in this Parliament, if we tell them the truth and if we take action.

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I think that it is my duty to take part in this debate in order to offer my co-operation. I call upon the government to apply solutions to the serious problem of unemployment and to all other resulting problems.

This afternoon, I listened very carefully to the speech of the hon. Minister of Labour (Mr. Mackasey). From this speech, I kept in mind three main points.

First, he said that in the banks, there was much money awaiting borrowers. Everybody knows that! I am convinced that those who need it more are more aware of it, because it happens very often that businessmen, industrialists come to Ottawa—as was the case last week—to meet officials in order to avail themselves of certain pieces of legislation to offer bankers guarantees allowing them to borrow money so as to carry on their operations.

Mr. Speaker, we know there is a lot of money around somewhere. Everyone knows that banks have the privilege of coining the nation's credit and that is what we are fighting. We consider that is abnormal. I will try to prove that within the few minutes available to me.

Would it not be democratic for the Bank of Canada, the people's bank, to have the power and the duty of coining the nation's credit? What is the nation's credit? In my opinion, the nation's credit is a product of people and of activities of all kinds. It is the product of the work of Canadians, whether they work in construction, in a shoe factory or in a garment industry, whether they are professionals, providing professional services to those who require them, businessmen, industrialists or members of Parliament. In my opinion, a nation's credit is

made up of all their activities and thus we can live in society, making use of goods and services exclusively created by Canadians.

The trust that, as the member for Bellechasse, I may have in society is what makes me call on a tailor, tomorrow, and buy a suit if I need one or to call on a doctor to get medical care. This trust in society is what makes up a nation's credit.

If this is what the credit of a nation really is, why should we let institutions cash in on this credit, this wealth of the people, created by the nation, and then lend it to us at high interest rates? Mr. Speaker, may I call it ten o'clock?

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Bell: Mr. Speaker, would the distinguished deputy whip of the government party confirm by a nod of his head that we are to go on with the budget debate tomorrow and thus continue the discussion on this very serious matter that is of interest to all Canadians?

Mr. Boulanger: Mr. Speaker, I am nodding my head. Yes, we shall continue the debate tomorrow.

Mr. Knowles (Winnipeg North Centre): The hon. nember will yet be Prime Minister.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

• (10:00 p.m.)

CANADIAN NATIONAL RAILWAYS—REDUCTION OF PASSENGER SERVICE IN NORTHERN ONTARIO

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, a week ago in this chamber I asked the Minister of Transport (Mr. Jamieson) to intervene on behalf of northern Ontario to dissuade Canadian National Railways from its callous and ill-advised decision to cancel trains No. 7 and No. 8 which presently provide essential passenger and express service in a part of this nation which the Bishop of Moosonee has called "Canada's cutting edge". In a letter to the Canadian Transport Commission, the bishop wrote as follows regarding the decision to cancel these trains:

> comes as a heavy blow to those who live in the communities along the line as well as to those who try to serve them in varying capacities. These communities may be small, but they do contain people whose only access to the outside world is by rail. If I have learned my history right, the principle upon which the railway was built was to weld Canada into a nation by serving such people in isolation. It is a sad day if we change such a worth-while base to that of economic expediency.

At a time in our history when we are trying to unite our nation, we have a publicly-owned railway eliminating services which are essential for the orderly development of our rich natural resources. Federal and provincial governments are offering incentives to industry to locate in slow-growth regions, and meanwhile a heavily subsidized Crown corporation drastically downgrades its services in one of these very regions that governments are trying to help.

On previous occasions this House has heard reference to the Mid-Canada Development Foundation, an organization with a plan for the rational development of Canada's habitable mid-north which is fabulously rich in untapped forest and mineral wealth. Canadian National Railways have encouraged this concept and have acted on the advisory council of the foundation. When you consider how the CNR operates across northern Ontario, and when you witness the poor quality of the service they provide, it is easy to conclude that they are in no way an active participant in the plans and projects to unite and develop Canada.

The CNR, in its defence, argues that profit and loss have dictated their decision; that these trains are money losers and serve no useful purpose. Crews working these trains think otherwise. Despite the downgrading of the service on Nos. 7 and 8 to a single coach in which one cannot even purchase a poor cup of coffee and a stale sandwich, these trains frequently travel filled to capacity, with some passengers having to ride in the baggage car while others are left on windblown station platforms due to lack of space. There is not much room in the baggage cars either, because they carry express, especially perishable goods destined for isolated communities along the line and for shipment further north by air.

The railway company argues, further, that its so-called "Super Continental" will assume the workload of trains Nos. 7 and 8. Those who know consider this to be a very bad joke. From December 1, 1970, to January 8, 1971, the "Super Continental" ran on time only once. Over this short period of time it was late for an accumulated total of 200 hours. This performance clearly points out that had trains 7 and 8 not been operating, there would have been many days when daily service would not have been available in many northern Ontario communities. On some days the "Super" was as much as 16½ hours late on its eastward run. If it takes on the work of train No. 8, we may expect it to be a day or more late, in which case this transcontinental service will be reduced to milk run status. Perhaps that is part of CNR's grand design, to downgrade this service as well and at some future time apply for its cancellation also. To some it seems clear that the CNR wants out of the transportation business altogether.

The public attitude to the CNR across northern Ontario is one of anger and disgust, employee morale is at an all-time low, and the service provided ranges from poor to none at all. My constituents have asked for a public inquiry into the situation, but the railway transport committee is not so obliging when the service is only a reduction rather than an absolute cancellation—a neat little game of semantics.

CNR officials were ordered to inform the people of the alternate service to be provided, and they travelled shamefacedly across the north like thieves in the night,

avoiding as many people as possible, especially railroaders who know the truth of what is happening. I ask the minister to find some way to launch an inquiry into Canadian National's services across northern Ontario. Perhaps the time has come for a major shake-up of CN's top-level management, because whatever they are doing it has nothing to do with serving the public.

Some hon. Members: Hear, hear!

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I appreciate fully the genuine concern and interest of the hon. member for Thunder Bay (Mr. Penner) regarding the reduction in rail service in his area. A similar question was raised January 13 by the hon. member for Timiskaming (Mr. Peters), and I might add that further representations were directed to the Minister of Transport (Mr. Jamieson) and to the Canadian Transport Commission which has responsibility in this subject under the Railway Act. I assure the hon. member that the minister has informed the railway of the representations which were made here in the House.

I think it should be made clear, Mr. Speaker, that the action which the CNR is proposing in this instance, effective February 1, is a reduction of service, not a discontinuance of service. The railway is entitled, subject always to the provisions of section 315 of the Railway Act relative to adequacy and suitability of accommodation, to take care of traffic offering, to effect reductions in service on its own initiative, without the approval of the Canadian Transport Commission. Since approval of the Canadian Transport Commission is not required, there is no requirement for a hearing. The minister dealt with this distinction a year ago, on January 12, 1970, to be exact, when in reply to a question by the right hon. member for Prince Albert (Mr. Diefenbaker) he said:

I have to emphasize that where it is only a reduction in service there is no legal mechanism which can be employed. Where there is a discontinuance the Canadian Transport Commission has indicated it will hold hearings on such discontinuances.

With respect to this particular reduction in service, Canadian National has given assurance that if trains Nos. 7 and 8 are no longer operated, every station now served by those trains will be served on precisely the same basis by trains Nos. 1 and 2.

An hon. Member: Worthless!

WHEAT BOARD—PRODUCTION AND RECEIPTS POLICY—STATEMENT IN BUDGET RESPECTING STABILIZATION PAYMENTS

Mr. John Burton (Regina East): Mr. Speaker, on December 8 I addressed the following question to the Minister of Finance (Mr. Benson):

In view of statements made in the House last week by the minister in charge of the Canadian Wheat Board that payments under the grain stabilization plan will not be made until after the end of the crop year, could the minister throw some further light on the statement contained in the budget speech that cash stabilization payments would be made next spring and summer totalling $100 million?

• (10:10 p.m.)

The minister's answer was:

I checked that statement with the minister in charge of the Wheat Board and he agrees that the statement is fair and reasonable.

Thus I am happy to see the minister in charge of the Wheat Board in his seat tonight and I understand he is going to reply to my representation. I asked the question of the Minister of Finance on December 8 in view of two paragraphs contained in his budget speech which I should also like to place on record. As reported at page 1742 of *Hansard*, the minister said:

Much of the same stimulus would flow from new government proposals in quite a different area. I refer here to the grain receipts stabilization plan outlined to the House five weeks ago by the minister responsible for the Canadian Wheat Board. If that plan is enacted and made applicable to the 1970-71 crop year as recommended, it will involve cash stabilization payments to western farmers next spring and summer totalling over $100 million. This would be the net payment contributed by the government to stabilize 1970-71 receipts. There would, of course, be important offsetting savings in government expenditure by the elimination of the temporary wheat storage payments which have been shown to be an inefficient form of assistance. However, the immediate effect of such a stabilization plan would be to put much needed cash into the hands of the farmers next spring.

The largest part of this flow of cash would go to Saskatchewan, where the provincial economy has been hardest hit by the decline in grain marketings since 1968. Large numbers of farmers in both Alberta and Manitoba, however, would also be helped. Taken together with the much higher grain sales and the prospects for further improvement, this early injection of cash would give a significant boost to the entire Prairie economy.

The immediate impact of the minister's statement in his budget speech was a series of headlines to the effect, "$100 million for western grain farmers". These headlines, of course, ignored the very big "if" in the minister's statement, and I think this was to be anticipated. It was underlined this afternoon by the minister's refusal during the question period to confirm that a basic decision had been taken to proceed with such a program. If he wants to confirm that now, I shall be very happy to hear it. These headlines also ignored the elimination of the temporary wheat storage payments and other expenditure reductions which would be effected as a result of the proposal.

I suggest that the Minister of Finance did a disservice to western Canada by giving the impression that a $100 million gift was going to the Prairie grain farmers. This was sloppy thinking and sloppy drafting. I was concerned about the reference to "payments to western farmers next spring and summer totalling over $100 million" because it implied payments before the end of the crop year on July 31. I suggest that this would be impossible unless some sort of complicated advance system were worked out.

Thus, on December 4, as reported at page 1755 of *Hansard*, I asked the minister in charge of the Wheat Board the following question:

In view of statements in the budget address last night concerning the grain stabilization proposal, could the minister indicate if it is the intention of the government, on the adoption of such a proposal, to arrange for payments under the stabilization plan to the farmers during the spring months?

The minister replied:

Mr. Speaker, the proposal indicates a hope to have a payment made for the current crop year. The final determination of the payment, assuming the legislation required is in place, would of course require figures which can only be final at the end of the crop year so it would likely be made in the fall, but it is envisaged that payment of up to $100 million might be made.

The reference to "might be made" was certainly different from the implication of the remarks of the Minister of Finance in his budget address. I suggest that his budget speech is inconsistent in referring to payments to western farmers next spring and summer totalling over $100 million, in view of the statement of the minister in charge of the Wheat Board that payments would likely be made in the fall. I also suggest that the statement in the budget address was unfair and misleading because it gave the impression that $100 million of new money would be injected into the western economy. This is a false statement, for the reasons I have already indicated.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the hon. member for Regina East (Mr. Burton) is in the difficulty of having to find something to complain and worry about in face of a very good proposal for Prairie agriculture. One must also bear in mind his well-established desire for not saying anything very praiseworthy about anything the government does for this sector.

The proposals which were made in this House in late October were, of course, proposals. They were proposals for the purpose of discussion of detail or principle with the agricultural community. But they did convey a clear indication that if put into force they would involve a payment of approximately $100 million to the Prairie farmers for the current crop year. That is the way the situation still stands. Both me and my colleague, the Minister of Finance (Mr. Benson), in answering questions made it abundantly clear that a number of factors require to be settled before the payment in fact is made. These proposals must become a firm policy statement and, indeed, parts of the proposals very clearly would require legislation for them to be brought into effect. In looking at the question of a stabilization fund we have looked at the possibility that over the long haul it might well be wise to have interim payments in the course of a crop year, rather than have the whole of a possibly large stabilization payment wait for the end of the year.

Oftentimes the shortest cash position will be in the middle of a crop year, which by definition is falling below the previous five-year average. Since we are in that kind of year this year, it has also occurred to us that would be one possible way to deal with the situation now. But, of course, the "ifs" in this circumstance become much more complicated because we have not only to settle the proposals but we must have the legislation in place in time.

The hon. member's difficulty, of course, in terms of specific questions relates to the fact that he asked me one in one term and the other in different terms. My answer clearly indicated that I was focusing on the issue of the final determination of any final payment and the possibilities and probabilities of the payment being made. It is, of course, both in my mind and in the mind of the Minister of Finance, extremely unlikely that the reaction of the farm community will be such as to stand in the way of our going ahead with these proposals. Indeed, I hope in fairly short order we will come before this House with the firm proposals we hope to put in place and which we see as very greatly benefiting agriculture now and in the years to come.

Motion agreed to and the House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Tuesday, January 19, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

ST. LAWRENCE SEAWAY

TABLING OF REPORT BY D. WILLIAM CARR AND ASSOCIATES

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, in accordance with Standing Order 41(2) I wish to table in the two official languages a report entitled "The Seaway in Canada's Transportation", volume I, prepared by D. William Carr and Associates, Limited.

Mr. Speaker: Motions.

Mr. Lundrigan: On a point of order, Mr. Speaker, before we leave motions and because of the restricted nature of the question period I wish to make a suggestion which might facilitate the business of the House today and for weeks to come. I suggest that the Acting Prime Minister should make a clarifying statement on motions right now indicating whether Canada has abandoned its major goal of full employment as outlined by the Economic Council of Canada some years ago, which was the burden of the statement by the Minister of Labour yesterday and seems to have been supported by a number of other ministers over a period of time.

Mr. Speaker: Order, please. The hon. member seems to be asking a question which he might want to ask during the question period.

• (2:10 p.m.)

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT AND INDUSTRY RATIONALIZATION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. Was the Minister of Labour expressing the view of the government when he said in the House yesterday, as recorded on page 2507 of *Hansard*:

> It takes courage sometimes to create unemployment. We have created unemployment in the textile industry and we will probably create it temporarily in other industries as we automate and as we rationalize these industries.

Mr. Speaker: Order, please. The Acting Prime Minister may wish to reply to the hon. member and I will, of course, allow him to reply to the question. I suggest to the hon. member, however, that we are immediately, with the first question, becoming involved in the debate which will continue after the question period. I hope hon. members will keep this in mind. This having been said, perhaps the Acting Prime Minister might like to reply to the hon. member's question.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I listened very carefully to the Minister of Labour when he spoke yesterday. He spoke of what is undoubtedly a very difficult problem which my colleague, the Minister of Industry, Trade and Commerce, has been dealing with. It is, and I hope the hon. member recognizes this, necessary if we are to continue to compete in world markets that we should rationalize our industries and bring them up to date. That may involve some temporary difficulties, but in the long run there will be more people employed in Canada.

Mr. Hees: As the Minister of Labour said yesterday and as the Acting Prime Minister has reaffirmed today, the government intends to create additional unemployment. I was wondering how much additional unemployment—

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

Mr. Hees: Mr. Speaker, I will be very glad to. May I ask the Acting Prime Minister how much more unemployment, with the misery and hardship that it imposes upon the Canadian people, does the government intend to create in order to fight something which the Prime Minister recently advised us had been licked?

Mr. Speaker: Order, please. The hon. member for Gander-Twillingate.

Mr. Baldwin: How much more courage does the government have?

UNEMPLOYMENT—FULL EMPLOYMENT GOAL AND GOVERNMENT PLANS RESPECTING UNEMPLOYED

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I ask the Prime Minister—the Acting Prime Minister who is aspiring to be Prime Minister—if he can indicate why the government had abandoned the goal of full employment, and will he state whether there are government plans to accommodate unemployed persons who one minister indicated should amount to approximately 10 per cent of the work force at the present time?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, perhaps I ought to comment on the first part of

the question put by the hon. member. It was never my ambition to be Acting Prime Minister.

Mr. Bell: The minister is a great actor, then.

Mr. Sharp: May I say that the government has never changed its policy which is to work as effectively as possible toward full employment for all Canadians.

Mr. Baldwin: What about that healthy 10 per cent?

Mr. Lundrigan: May I ask the aspiring Acting Prime Minister whether he would indicate to the House on motions the reason behind the statements continually emanating from ministers that we must tolerate high unemployment and, as the Minister of Labour said, that we should not be concerned in 1970-71 about unemployment because we have had it in previous winters?

Mr. Sharp: Mr. Speaker, I listened to the Minister of Labour, as did the hon. gentleman, and the minister did not say that. What the minister said and what we must recognize is that even in the best of years, even when this country's economy was booming, there was a big increase in unemployment during the winter. We are trying to remove regional disparities and with some success. But we have not yet succeeded in eliminating winter unemployment.

[*Translation*]

UNEMPLOYMENT MEASURES TO AVOID LAY-OFF OF AIR CANADA EMPLOYEES

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a supplementary question to the Acting Prime Minister.

In view of the fact that Air Canada has announced the lay-off of over 400 employees and that unemployment is critical in Canada, does the government intend to do anything at all to prevent Air Canada from laying off those 400 employees?

Mr. Speaker: If my memory serves me right, that question has already been put to the minister. However, if there are new developments with which the minister wants to acquaint the House, he might answer the question of the member for Témiscamingue.

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I met for several hours yesterday with the chairman of the board, the president of Air Canada and a number of top officials of the company. We discussed certain proposals and possible alternatives that might at least delay the present plans to lay off approximately 400 employees. The company officials undertook to take these suggestions back to their head office to see whether they will be in a position to implement them. They hope to be in a position to advise me either late today or tomorrow regarding their intentions.

[*Later:*]

Mr. Thomas M. Bell (Saint John-Lancaster): I have a supplementary question for the Minister of Transport in connection with the Air Canada lay-offs. Can the minister assure the House that he has taken into consideration the extra overtime required, particularly in the Maritimes, because of the adverse weather conditions? Has the minister considered that aspect in connection with these proposed lay-offs?

Mr. Jamieson: Yes, Mr. Speaker. This was one of the many considerations that were discussed in detail yesterday. The problem is the uncertainty as to just when these workers are going to be required. This is one of the matters the company is trying to work out to at least alleviate the lay-offs to the maximum extent possible.

[*Later:*]

UNEMPLOYMENT—MEASURES TO AVOID LAY-OFF OF AIR CANADA EMPLOYEES—YARMOUTH AIRPORT

Mr. Louis-Roland Comeau (South Western Nova): I have a supplementary question for the Minister of Transport. In view of the fact that Air Canada lay-offs are supposed to be in the order of two per cent, will the minister consider investigating the reduction of approximately 33 per cent at Yarmouth airport?

UNEMPLOYMENT—PROVISION OF MORE HOUSING STARTS AND LOWER INTEREST RATES TO COPE WITH PROBLEM

Mr. John Gilbert (Broadview): I have a supplementary question for the Minister without Portfolio in charge of housing and urban affairs. In view of the serious unemployment, what immediate steps does the government intend to take to provide more housing starts and lower interest rates in order to cope with the unemployment problem? If this is too large a question to be answered now, will the minister make a statement on motions?

Mr. Speaker: I was going to suggest to the hon. member that this is a large question which should be replied to by way of a statement on motions. The minister might like to answer the question in this way.

Hon. Robert K. Andras (Minister without Portfolio): I think that very significant results are showing up right now in the statistics recently released with regard to housing starts in the last quarter of 1970.

Mr. Speaker: Order, please. I suggest to the minister that the statement should not be made now. He might indicate to the House whether a statement will be made in due course.

[*Later:*]

UNEMPLOYMENT—FINANCIAL ASSISTANCE IN REHABILITATION OF EXISTING HOUSING TO COPE WITH PROBLEM

Mr. Andrew Brewin (Greenwood): I have a further supplementary question for the minister in charge of housing. In the statement that the minister makes, will he give consideration to the possibility of government assistance to finance the rehabilitation of existing housing as a means of combating unemployment?

Hon. Robert K. Andras (Minister without Portfolio): We are already embarked on a program of that nature, but I will give consideration to elaboration in any statement I might make on the subject.

* * *

THE CANADIAN ECONOMY

EXPANSION OF AMERICAN-OWNED SUBSIDIARIES BY USE OF CANADIAN MONEY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to ask the Acting Prime Minister whether his attention has been drawn to a survey conducted by Mr. David Belli of the United States Department of Commerce, which indicates that 94 per cent of the money used to expand American subsidiaries in Canada has come from Canadian sources. Upon examining this report, will the government be prepared to make a statement as to what steps they intend to take to prevent the Canadian economy being bought out with Canadian money?

Hon. Mitchell Sharp (Acting Prime Minister): Like the hon. member, I also saw this report in the paper. I have not seen the original report. I will look at it now that it has been brought to my attention. This information is also in the hands of the Minister of National Revenue who has been preparing a study on the whole problem. I know that this is one aspect of the problem which is concerning him very much.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary for the Minister of National Revenue. Is he aware of this situation described in the survey made by the United States Department of Commerce? Are there any recommendations in this regard in the report which he will be making to cabinet, and will the minister be prepared to disclose those recommendations at a later date, if not now?

Hon. Herb Gray (Minister of National Revenue): I am aware, generally, of the thrust of the points to which the hon. member has referred, although I have not seen the specific report. This is a matter which I certainly have been looking at in the course of my work. With respect to specific recommendations, these, of course, will be among the matters to be considered by the government and dealt with when the government is in a position to make a statement to the House on the matter.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Can we be given any indication when the House will be appraised of the investigation and recommendations of the minister?

Mr. Gray: Not as yet, Mr. Speaker.

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[*Translation*]

POST OFFICE

POSSIBLE INCREASE IN PERSONNEL

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to ask the Postmaster General a question.

Inquiries of the Ministry

Did the announcement he made yesterday that a program called "assured mail-delivery" would be established, mean there will be an increase of personnel in his department and did the minister want to have a share in the fight against unemployment?

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, I think this service can be given with the personnel we now have.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

RELATIONSHIP OF INCREASE IN CRIME TO UNEMPLOYMENT—CONFERENCE WITH PROVINCES ON PROBLEM

Mr. G. W. Baldwin (Peace River): I have a question for the Solicitor General. I have already asked it twice, but perhaps the Solicitor General might be able to answer. In view of the alarming increase in crime and violence and the anticipated acceleration of the increase because of social unrest related to high unemployment, does the Solicitor General have any thoughts in mind as to what can be done? Is there any intention to hold a special conference with the provincial authorities?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, the relationship that may exist between unemployment and crime in general, or manifestations of violence, is not always as direct as one would think. For instance, there may be people who commit criminal acts and who may be considered, from a statistical point of view, as unemployed persons, because they cannot report an illegal job.

[*English*]

Mr. Baldwin: Has the minister any intention of discussing this very serious problem with the provincial authorities?

[*Translation*]

Mr. Goyer: Mr. Speaker, we maintain constant relations with the provinces, in order to discuss the agitation which can occur in our society, but I do not see at the present time any alarming situation which could compel us to hold special consultations. We consider that the present social situation can affect unemployment, which does not mean that the general situation in Canada is alarming.

[*English*]

QUEBEC—PROPOSED INTRODUCTION OF IDENTITY CARDS —DISCUSSIONS WITH PROVINCIAL MINISTER AS TO CONSTITUTIONALITY

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, in view of the fact that the province of Quebec is moving quickly toward the implementation of identity cards, can the Solicitor General tell us whether he has had an opportunity to discuss this very controversial

matter with his counterpart in Quebec as to its constitutionality and so on?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): No, Mr. Speaker.

[*English*]

Mr. Alexander: Is it the intention of the minister to discuss this matter with his counterpart in the province of Quebec?

[*Translation*]

Mr. Goyer: It could be discussed, once the Quebec Minister of Justice has indicated that he intends to take such a step.

* * *

THE CANADIAN ECONOMY

UNEMPLOYMENT—MEETING WITH REPRESENTATIVES OF UNIONS AND INDUSTRY TO FIND SOLUTION

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask the Acting Prime Minister a question.

Since the government has been unable to control the increase in unemployment, could the Acting Prime Minister—

Mr. Speaker: Order, please. The hon. member cannot preface his question in this way, he must ask the question directly.

Mr. La Salle: Thank you, Mr. Speaker.

I would like to ask the Acting Prime Minister if in view of the present situation the government is willing to call a meeting of representatives of all sectors of the private industry and of labour leaders to try and find a solution to the unemployment problem?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): The government's policy, the encouragement which has been given to private industry to expand, the very large increase in government expenditure directed to the easing of unemployment, and the big drop in interest rates are indications of how effective these measures will be in promoting employment in the private sector.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, would the Acting Prime Minister be so good as to outline at the first opportunity on motions what inducement the government has given private industry to expand, because private industry is not aware of any inducements having been offered?

Mr. Sharp: Mr. Speaker, I might point out to the hon. gentleman that the surveys we have regarding investment intentions indicate a very substantial increase in activity during the present year.

Mr. Speaker: Order, please.

[Mr. Alexander.]

CANADIAN NATIONAL RAILWAYS

TORONTO-WINNIPEG PASSENGER SERVICE REDUCTION—OPPORTUNITY FOR REPRESENTATIONS BY PUBLIC

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have a question for the Minister of Transport. In view of the statement he made on January 13 in answer to a question of mine concerning the dropping of trains Nos. 7 and 8 of Canadian National Railways and the minister's indication that a public hearing would be held before withdrawal of the trains, has the minister any information to convey to the House following his discussion with the Canadian Transport Commission in this regard?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. I made an investigation following the hon. member's question. I was under the impression that it was abandonment of a service to which he referred, in which case a hearing would have been mandatory. I now understand that there is to be a reduction of service and therefore the railway is not obliged to go through the necessary hearing procedures. Subsequently, however, I was informed that the railway has undertaken to ensure that service is maintained at its prior level through some other arrangement involving the utilization of other trains.

Mr. Peters: Mr. Speaker, from the reply of the minister I think he did understand the original question because he said that there would be no train withdrawals without a public hearing and indicated that the two trains were being withdrawn. As the minister who is empowered by the Act to intervene in such matters, is he willing, on behalf of people in northern Ontario scattered across an area of several hundred miles, to exercise his ministerial prerogative in this regard?

Mr. Jamieson: Yes, Mr. Speaker, to the extent that I have the authority. I do agree that perhaps I did unwittingly mislead the hon. member when I spoke of train withdrawal. Under the Act a train can be withdrawn as long as service is maintained on that route. It is the total abandonment of a service or route that requires a public hearing. I will take a look at this matter and see whether there is any means through which I can intervene, and if I can help I shall be glad to do so.

[*Later:*]

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, I have a supplementary question for the Minister of Transport. In view of the fact that some centres in northern Ontario will be completely without passenger service, would the minister consider setting up a public hearing at these centres?

Mr. Jamieson: Mr. Speaker, I think that is virtually the same form of question as that asked by the hon. member for Timiskaming earlier. If there is a total abandonment of service as the hon. member indicated, then it is my understanding that a hearing is required. If in fact an area is going to be without service in the way that he suggested, then, of course, the commission may possibly

recommend its continuation and subsidization. But I would have—

Mr. Speaker: Order, please.

REQUEST FOR INQUIRY BY HOUSE COMMITTEE INTO NORTHERN ONTARIO SERVICE

Mr. B. Keith Penner (Thunder Bay): I have a supplementary question for the Minister of Transport, Mr. Speaker. I wonder whether the minister could find a way to have the House of Commons transportation committee inquire into all aspects of Canadian National service in northern Ontario, which has deteriorated to a shocking extent?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I assume that either the estimates or the annual report of Canadian National, for example, will at some point during the session be referred to the Standing Committee on Transport and Communications, and I suggest that this would be the most appropriate time to carry out an examination.

Mr. G. W. Baldwin (Peace River): I have a supplementary question for the Government House Leader. Will the committee be allowed to call witnesses?

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BANKRUPTCY

PROCEDURE IN CONSIDERING REPORT OF STUDY COMMITTEE

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. On December 18 the minister tabled a report in regard to bankruptcy and indicated that he would ask for representations from the public. At that time I suggested that perhaps it would be better to refer the report to the appropriate house committee for examination and report back to the House. Has the minister made up his mind yet as to what procedure he is going to follow, and can we soon be told precisely what is going to be done with regard to the report on bankruptcy?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, as I said before, my inclination is, of course, as indicated in the Speech from the Throne, to proceed to the drawing of a bill which would then be government policy and would be examined very carefully by a committee. I have heard and seen little that would persuade me that this would be the wrong course, but I am still giving the matter consideration.

Mr. Lambert (Edmonton West): Did the minister ask the public for any representations on this bankruptcy report and, if so, when and where?

Mr. Basford: Mr. Speaker, I would have to check the wording in *Hansard*, but I think I mentioned there that I looked forward to receiving representations from the public. Certainly in press statements I urged the public and those interested to respond to the report and make comments to me. I have already had a number of comments and I know of a great list of people, organizations and groups who have indicated to my office or to my officials that they want to make comments on the report.

REPORT OF STUDY COMMITTEE—EXTENSION OF DEADLINE FOR REPRESENTATIONS TO MINISTER BY PUBLIC

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question. In view of the fact that the minister has invited representations from the public but has stymied those representations in that they have to be in the minister's hands by January 31, and there is a great deal of apprehension about this, has he now made up his mind to extend the time in order that he may receive full representation from throughout the country?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I urged people to get their representations or comments in as quickly as possible and said I should like to proceed to the drafting or drawing of a bill by the end of January. Naturally, of course, this government, being a democratic government, will receive representations and comments at any time.

Mr. John Gilbert (Broadview): Mr. Speaker, in view of the fact that it took four years to prepare this excellent report, would the minister speed up the drafting of the legislation so we can study it?

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[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, the Secretary of State being absent, I wish to ask a question of the Acting Prime Minister.

Would he tell us whether Information Canada will be completely established and ready to operate when the next federal election is called?

Mr. Speaker: That question could be put on the order paper.

* * *

[*English*]

TRANSPORT

SAFETY STANDARDS FOR SNOWMOBILES—CONSULTATION WITH PROVINCES

Mr. David MacDonald (Egmont): Mr. Speaker, my question is directed to the Minister of Transport. In view of the number of tragic fatalities this winter involving the use of snowmobiles, and the multiplicity of designs and makes of these machines, can the minister inform the House whether his department is attempting to draw up minimal safety standards for the production of snow-

mobiles so Canadians can be assured of a safe winter recreational pastime?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as to the objective of a safe recreational pastime, of course, this depends in large measure, as I am sure everyone is aware, on the skill and care of the driver. We have drawn up basic safety regulations for these machines and before they leave the factory they have to meet certain specifications. I would have to check to see whether these regulations are in effect now or are about to be proclaimed. We have also undertaken to make certain research grants in respect of the whole question of snowmobile safety to see what kind of standards might be adopted in this field.

Mr. MacDonald (Egmont): In view of the great degree of difference between provinces in the standards enacted by them regarding the safe use of these machines, has the federal government entered into consultation with the provinces, or will it be calling together provincial representatives in order that the best form of national safety standards may be enacted in consort with the provinces?

Mr. Jamieson: Yes, Mr. Speaker, we have had two or perhaps three meetings, two of which I attended personally, with provincial ministers of highways, or whatever their titles happen to be in each province, and we are working toward the goal the hon. member has outlined—the maximum degree of uniformity. Actually this does not so much relate to the vehicles themselves as it does to the driving conditions or regulations within each individual province.

* * *

GRAIN

WHEAT—INCREASE IN PRODUCERS' DELIVERY QUOTAS

Mr. Jack Murta (Lisgar): Mr. Speaker, I intended to direct my question to the minister responsible for the Wheat Board but in his absence perhaps I should direct it to the Acting Minister or to the Minister's Parliamentary Secretary. In view of the fact that current wheat sales have been made from stocks owned by the Canadian Wheat Board and have not been reflected in delivery quotas to producers, when will wheat quotas to the financially depressed producers be increased?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I will bring this question to the attention of my colleague.

NATIONAL DEFENCE

RENTAL INCREASE FOR PERMANENT MARRIED QUARTERS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Minister of National Defence. Can he now confirm to the House his department's plans to raise the basic levels of rent for PMQ's across the country and, if so, can he indicate to what levels rents will be raised and when these increases will be effective?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, I should like to thank the hon. member for the notice he sent to me at my seat in the House today. I would be glad to make an inquiry and give the hon. member a precise response.

Mr. Forrestall: When the minister is making the inquiry, will he determine and then advise the House what percentage of the recent pay increase will be absorbed by the rental increase?

* * *

POST OFFICE

PROPOSED REMOVAL OF CERTAIN OPERATIONS FROM CALGARY TO EDMONTON

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, my question is directed to the minister in charge of the Post Office. What are the Post Office operations which it appears the department proposes to move from Calgary to Edmonton, and what is the reason for this proposal?

Mr. Speaker: I am not sure that this is a matter of immediate urgency and I wonder whether this question could not appropriately be placed on the Order Paper. If there is an urgency, the minister might want to give the House the information sought by the hon. member.

Hon. Jean-Pierre Côté (Minister without Portfolio): I do not know exactly what the hon. member means, Mr. Speaker, but I will take notice of the question.

* * *

INDUSTRY

RENFREW AIRCRAFT AND ENGINEERING COMPANY—INVESTIGATION OF PROPOSED CLOSING

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Is he aware that the Renfrew Aircraft and Engineering Company is scheduled to be closed entirely by March 31 next, putting a lot of people out of work, and is his department looking into the situation, particularly in view of the fact that Renfrew is a designated area?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I am not personally aware of that situation but I presume my department is, as usual. I will look into it.

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POLLUTION

BALLAST PUMPED INTO GEORGIAN BAY BY IRON ORE VESSELS—ACTION TO RECTIFY PROBLEM

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Transport. In view of recent

complaints by the town council and chamber of commerce of Parry Sound concerning pollution caused by iron ore carrying vessels pumping polluted ballast into Georgian Bay, can the minister say whether any action is contemplated by his department to rectify this situation?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am not personally aware of this particular incident and I will take the question as notice. Of course, if there has been a breach and we can identify the culprits the normal course of the law will be followed.

* * *

[*Translation*]

NATIONAL PARKS

QUEBEC—ESTABLISHMENT OF PARK IN ST. MAURICE VALLEY

Mr. René Matte (Champlain): Mr. Speaker, I want to ask a question to the Minister of Indian Affairs and Northern Development.

Has he received any resolutions from individuals, public agencies or intermediaries being opposed to the selected site for the future St. Maurice Valley National Park?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I received many favourable requests and very few unfavourable representations, Mr. Speaker.

* * *

[*English*]

COMMUNICATIONS

MEMINI SATELLITE PROJECT—INVOLVEMENT OF FEDERAL GOVERNMENT IN DISCUSSIONS BETWEEN QUEBEC AND FRANCE

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Prime Minister regarding the involvement of the government of Quebec with the government of France in the regional telecommunication satellite project Memini, in respect of which the Quebec Minister of Communications recently made a statement. Can the Acting Prime Minister advise whether the Canadian government is being officially informed or is in any way involved in the discussions now going on in Paris on this important matter?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I saw this report in the newspapers also and I have made some inquiries. When I have the answer I shall give the particulars to the hon. member.

* * *

AIR TRANSPORT

CONSULTATIONS WITH MANUFACTURERS OF DC-8 ON SPOILERS

Mr. Erik Nielsen (Yukon): Mr. Speaker, on December 4, as recorded on page 1759 of *Hansard,* I asked the

Minister of Transport whether there were consultations between officials of his department and the manufacturer of the DC-8 for the purpose of perfecting the design of a fail-safe spoiler for that aircraft. The minister said he would look into the matter and report to the House. Has he now had an opportunity to do so and is he able to say whether such consultations are going on?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, in respect of consultations I am not sure whether they are continuing. I can say that the steps which were recommended or ordered by the Civil Aeronautics Board of the United States, in which we concurred, regarding the posting of the necessary notices, etc. in the cockpits of the DC-8's, and also the manual changes which were recommended, have been undertaken.

Mr. Nielsen: As the minister knows, the posting of notices is not a fail-safe device. Has he looked into the specific question of a fail-safe device to prevent the inadvertent deployment of these spoilers in the air?

Mr. Jamieson: As the hon. member is a pilot he has me at a bit of a disadvantage in terms of the technical side of this matter. I can only say that I have been advised by the officials that as a result of the incidents which brought this to the fore discussions by our department with the manufacturers and also with the airlines are under way. I would be pleased to get him a written statement indicating the status of these discussions at the moment.

Mr. Nielsen: Mr. Speaker, I have a supplementary question—

Mr. Speaker: Order, please. We have less than ten minutes left in the question period. I must seek the co-operation of hon. members. If I allow two or three supplementaries to every question asked, we will be in difficulty in a few minutes. Perhaps the hon. member for Yukon might ask the last supplementary, and again I will seek the co-operation of hon. members to get on as quickly as possible.

Mr. Nielsen: My question is a related one and very brief. May I refer the minister to the answer to my question on December 1, to be found at page 1632 of *Hansard,* and ask him whether he is yet ready to report to the House, which he undertook to do at that time?

Mr. Speaker: Order, please.

* * *

TRANSPORT

POTENTIAL RISKS IN OPERATION OF CORVAIR AUTOMOBILES—WARNING TO CANADIAN OWNERS

Mr. Barry Mather (Surrey): I want to direct my question to the attention of the Minister of Transport. Having in mind the warning which has just been issued by the United States Department of Transportation alerting motorists to certain potential risks in the operation of General Motors Chevrolet Corvair models, 1961 to 1969,

is the Department of Transport aware of the situation and is a similar warning being issued to Canadian motorists?

Hon. Donald C. Jamieson (Minister of Transport): I will have to consult the officials regarding the specific nature of the situation. The hon. member was good enough to send me the general notice from the United States national highway traffic safety administration. I note that it is a general warning at the moment and it does not require the specific notification of individual Corvair car owners. I assume we will be doing exactly the same thing, but I will look into it.

ESTABLISHMENT OF NOISE STANDARDS FOR SNOWMOBILES

Mr. Norman A. Cafik (Ontario): I have a question for the Minister of Transport. In view of the consideration the department is giving to safety standards for snowmobiles, is the department also considering the establishment of reasonable noise standards for the use of such machines in order to reduce the serious problem of noise pollution?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, and they are working at it twice as hard as before last weekend when my son nearly drove me out of my mind.

* * *

AIR CANADA

GENERAL CONSOLIDATION OF TELEPHONE RESERVATION SERVICES—PROTECTION OF EMPLOYEES' JOBS

Mr. Eldon M. Woolliams (Calgary North): I would like to ask a question of the Minister of Transport. Questions have been asked with reference to the submissions made by the Canadian Airline Employees Association with regard to the Air Canada reservations staff in Ottawa. Will there by any closing of other offices across Canada, particularly in Winnipeg, Calgary, Edmonton and Vancouver?

Hon. Donald C. Jamieson (Minister of Transport): This was part of the discussions which were held yesterday. I am also expecting further information from Air Canada on their plans in this regard. They did tell me yesterday that it is part of a program which it is anticipated will be expanded to other parts of the country. They did not give me the specific locations. I have asked for them and will pass them on as soon as I get them.

Mr. Woolliams: When the minister does find out—equipment has already been installed in Calgary—will he also ascertain how many employees will be affected and whether a serious effort will be made to make certain that their jobs are protected and that they will be able to move to other departments of Air Canada?

Mr. Jamieson: Yes. I brought this up again yesterday at great length and I am told that the relationship between the union and the company is such, and the nature of their agreement is such, that personnel cannot be displaced as a result of technical changes of this sort.

[Mr. Mather.]

POWER

BAY OF FUNDY TIDES—REVIEW OF PROGRAMMING BOARD'S REPORT

Mr. Robert C. Coates (Cumberland-Colchester North): I have a question for the Minister of Energy, Mines and Resources. In view of the fact that the Premier of Nova Scotia is in town today, did the minister have a meeting with him and has he had any communication from him regarding a possible review of the programming board's report on the harnessing of Fundy tidal power?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I had a meeting with the Premier of Nova Scotia this morning but it was not about that subject matter.

* * *

URBAN AFFAIRS

METROPOLITAN TORONTO—SUPPORT FOR CO-ORDINATED PUBLIC TRANSPORTATION SYSTEM

Mr. S. Perry Ryan (Spadina): My question is for the Minister without Portfolio responsible for housing and urban affairs. Has the government decided to support a co-ordinated public transportation system for the metropolitan Toronto area?

Hon. Robert K. Andras (Minister without Portfolio): I want to thank the hon. member for giving me notice of his question this morning. The answer is that no such commitment has been made.

* * *

POLLUTION

ST. CLAIR RIVER—SITUATION RESPECTING DUMPING OF MERCURY BY DOW CHEMICAL COMPANY

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Fisheries and Forestry. Has Dow Chemical of Canada Limited, which is reportedly dumping .55 pounds of mercury per day into the St. Clair River, satisfied the federal government that this is an adequate standard for mercury pollution control?

Hon. Jack Davis (Minister of Fisheries and Forestry): My understanding is that the Dow Chemical Company is not dumping any mercury into the river in that area. I will check our records, but my understanding is that all of its effluent is now being recycled and has been for many months.

* * *

YOUTH

ALLEGED FREE BUS TRANSPORTATION PROGRAM

Mr. S. J. Korchinski (Mackenzie): I should like to ask the Acting Prime Minister which department has the crazy idea of spending $50 million to take young people—

Mr. Speaker: Order, please. The hon. member has already put himself out of court. I wonder whether he might like to rephrase the question.

Mr. Korchinski: May I ask the Acting Prime Minister who is co-ordinating the idea of spending $50 million to take the young people of this country for bus rides instead of providing them with jobs?

Hon. Mitchell Sharp (Acting Prime Minister): As I said once before, this is a purely speculative story. I hope the hon. member will not repeat it again.

Some hon. Members: Oh, oh!

* * *

FISHERIES

LAKE ERIE—LOANS TO FISHERMEN BECAUSE OF LOSSES SUFFERED THROUGH MERCURY POLLUTION

Mr. William Knowles (Norfolk-Haldimand): My question is for the Minister of Fisheries and Forestry. Since Lake Erie fishermen who have suffered losses because of mercury pollution are in severe financial straits while awaiting the long-awaited government loans, will the minister ascertain whether the joint loan committee has mailed all the loans cheques that should be sent to these men?

Hon. Jack Davis (Minister of Fisheries and Forestry): I will certainly check that matter. I should point out, however, that the committee is chaired by an official from the province of Ontario.

* * *

LABOUR CONDITIONS

REPORTED UNFAIR LABOUR PRACTICES BY FRANK HILL LIMITED—REHIRING OF MEN FIRED

Mr. Leonard Hopkins (Renfrew North): My question is for the Minister of Labour but in his absence I will direct it to his Parliamentary Secretary. Would the minister investigate fully reported unfair and highhanded labour practices on the part of Frank Hill Limited, a paint contractor from Brantford, Ontario, who is presently engaged under a Defence Construction Limited contract to paint 300 PMQ'S at Canadian forces base, Petawawa? At the same time, would the minister consider using his good offices to get the jobs back for those men who were fired this morning because they had enough courage to sign a written statement bringing these questionable practices to light?

Mr. Speaker: Order, please. That assertion is in the form of a representation rather than a question. The hon. member will have to assume that it will be taken into account.

* * *

AIR TRANSPORT

CHARTER SERVICES—WARDAIR—CTC RULING ON HOLDING OF CUSTOMERS' MONEY IN TRUST

Hon. Marcel Lambert (Edmonton West): My question is for the Minister of Transport. At the beginning of last

week the hon. member for Crowfoot and myself asked questions with regard to the decision of the Canadian Transport Commission respecting Wardair, and I believe an appeal has been made to the minister. Is he in a position to tell us when he expects to make a decision or what the situation is with regard to Wardair?

Hon. Donald C. Jamieson (Minister of Transport): Contrary to press reports, there has not been a formal appeal filed with me as of this moment. I have some information informally to the effect that the officers of the company are at present seeking ways and means of meeting the requirements of the CTC order. The last word I had was that they were having some success in that direction, but there has been no appeal of any kind.

* * *

AGRICULTURE

CONTROL OF ODOURS FROM LIQUID MANURE HOLDING PITS

Mr. R. E. McKinley (Huron): I have a question for the Minister of Agriculture because I do not like to see him sitting there unnoticed. It has to do with odours coming from outside liquid manure holding pits for livestock. This is a very serious problem. Is the minister conducting any special research in his department to develop some kind of chemical that could be used in these pits which would be helpful in holding down these odours?

Mr. Speaker: Order, please. The hon. member's question should be placed on the Order Paper.

[*Later:*]

Mr. McKinley: On a point of order, Mr. Speaker, the question I asked is a very serious one. It needs attention immediately and I wonder if the minister could be allowed to clear the air on this matter.

Mr. Speaker: Order, please.

* * *

INDUSTRY

AUTOMOBILES—PROGRESS OF AUTO PACT NEGOTIATIONS BETWEEN CANADA AND UNITED STATES

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. In view of the uncertainty existing among those working in the industry, can the minister inform the House when he will be prepared to make a statement in the House on the progress of negotiations that are now going on between the governments of Canada and the United States on the Canada-U.S. auto pact?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I will inform the House when I am able to inform the House that such a statement is needed.

Inquiries of the Ministry

NATIONAL DEFENCE

MEETING WITH INDIANS TO DISCUSS RETURN OF PORTION OF CAMP IPPERWASH PROPERTY

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, I have a question for the Minister of National Defence. Have he and the Minister of Indian Affairs and Northern Development met with Chief Shaukens and other Indians to discuss the proposed return of that portion of Camp Ipperwash to the Indians which was expropriated in 1942?

Mr. Speaker: Order, please. I think that question might be placed on the Order Paper. If there is urgency the hon. member can give the Chair notice that he wishes to raise it at the time of adjournment.

* * *

NATIONAL PARKS

MEASURES TO PREVENT LOGGING WITHOUT REFORESTATION

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. I am glad to see him back in the House after a long absence. Can the minister say what measures are in effect by his department to prevent some national parks, particularly Wood Buffalo National Park, from being stripped of their trees without a reforestation program?

Mr. Speaker: Order, please. It seems to me that this question was asked in the House a few days ago.

[*Translation*]

Mr. Chrétien: Mr. Speaker, on a question of privilege.

[*English*]

Mr. Speaker: Order, please. The minister rises on a question of privilege.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I do not believe I have to tell hon. members that I am in the House more often than the hon. member who has just spoken.

[*English*]

Mr. Speaker: Orders of the day.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: On a point of order, Mr. Speaker, affecting the business of the House, because the ordinary business was changed by the two days of budget debate and because tonight there will be a vote so that I will not be able to ask then, could the Government House Leader indicate the business for tomorrow and Thursday?

Mr. MacEachen: Mr. Speaker, tomorrow we will begin with the Northern Canada Power Commission bill, the Yukon mineral bill, and then the Textile Clothing Board bill. Then we have also the crop insurance bill which I would like to bring back this week, but I will not do that without advising hon. members opposite.

[Mr. Pepin.]

GOVERNMENT ORDERS

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed, from Monday, January 18, consideration of the motion of Mr. Benson, that this House approves in general the budgetary policy of the government, and the amendment thereto of Mr. Lambert (Edmonton West) (page 1808).

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, when we adjourned last night, I was discussing the important problem of unemployment and the solutions that should be adopted in order to remedy an unceasingly deteriorating situation. I also said that real credit is the fruit of the labour of the whole nation, of the whole community. It is therefore a social credit. The Crédistes neither discovered that, nor added anything thereto. They merely propose a more social financial system enabling the whole community to benefit by that real credit, without private financial institutions cashing in on it for their own profit. That is why we suggest using the Bank of Canada to coin the nation's credit.

Furthermore, if we consider how our society is organized and how it is administered, we discover that we are living within a constitutional system in which there are three clear-cut power levels. In this respect, I would like to quote the following from the publication entitled "A Super-Power":

> Civics manuals generally identify three power areas within a political regime: the legislative power, the executive power and the judicial power.
>
> The legitimate government in any free—

—such as Canada—

> —and truly sovereign nation must have the power to make laws designed to control the relationships of its citizens between themselves and with the established bodies, without having to request permission from a foreign authority. Such is the legislative power.

This assembly of hon. members here is called the Canadian Parliament. Le me quote further:

> Similarly, the government of a sovereign nation must administer the country in accordance with its laws and its constitution, without having to submit its actions to the approval of a foreign government. Such is the executive power.

This is known as the cabinet. The cabinet has no intention of unfairly blaming the inefficiency of ministers, for they rarely have access to the wherewithal required to implement plans which might profit the whole of the community.

> The last aspect is that the government of a sovereign nation must have the power to implement the laws of the country, to prosecute and penalize those who break them, to judge disputes between citizens, throughout that country, without having to obtain approval from a foreign government. Such is the judicial power.

This is what is reported on front pages by all newspapers in Canada, especially in the Province of Quebec, in connection with the trial of the members of the FLQ. Reading the newspaper, one might think that there is only

that association in Canada, while there are so many serious problems which should get attention from the newspapers, the radio, and television.

I listened to the news last night and I noted that very little information was given on the study of the unemployment problem which this Parliament is currently conducting. I found that very disturbing.

Why should there be this silence, this collusion? This is because aside from the three powers I have mentioned, i.e. legislative, executive and judicial, there is a super-power.

I quote further:

While the three powers—legislative, executive and judicial—are the great established powers of any sovereign government, there is another power, not classified as such, but which overrides them all and dominates governments themselves.

This super-power whose authority stems from no constitution and which does not care about it more than a bandit in the exercise of its power, is the monetary power.

This power is especially significant among those who, as absolute masters of money, govern and grant credit at their own sweet will.

It is that credit I spoke about yesterday, that credit created by the people, through the activities of the people, that credit which is coined by private institutions and granted according to their will.

—Thus they distribute in some way blood to the economic body whose life is in their hands so that nobody can breathe without their consent.

Lacking that consent the governments—in Ottawa, in the provinces and the municipalities—must because of lack of money and finance, postpone the implementation of public works useful to society. The monetary superpower controls and dominates governments elected in a democratic way by the people and those governments are paralysed.

Monetary power is the power to issue money and credit of the nation; to condition their circulation; to determine the term of financial credit; the power to require its reimbursement at a time set in advance under penalty of confiscation of the goods which are the fruit of the labour of those from they are confiscated; the power to impose upon governments themselves the conditions of liberation and return, demanding as a guarantee the power all governments have to tax their citizens.

They are granted loans on condition that they have the courage to levy even higher taxes on the worker who creates the real credit of the nation.

Now, that financial credit, that money, is the authority to use the productivity, not of those in control, but of the people of the nation. Money and credit controllers cannot make a wheat stalk—

I ask my friends from the West to go and see if those who control money and issue credit to make the economy work, have created a single wheat stalk or succeeded in making a single oat seed grow. Credit controllers, I go on with the quotation:

—do not produce a single pair of shoes, do not make a single brick, do not dig a single mine well, do not have one square inch of road. Therefore, it is his own real credit. But he cannot use it without the consent of credit controllers, of financial credit which is only an entry in bank books representing the value of the nation's credit.

The pen of the banker who accepts or refuses to give individuals, companies, governments, the right to mobilize talents, good will, the natural resources of the country is the one that controls; it accepts or rejects; it lays terms when granting permission; it drives into debt individuals and governments to whom permissions have been given. It is a despotic pen in the hands of a super-power, a monetary power.

There is no worse tyranny than that of the monetary power: a tyranny which can be felt in households, in all institutions, public administrations and governments.

From where does that super-power obtain its authority? The other three government powers get theirs under our national constitution. But which constitution could have granted to a super-power the right to control governments themselves?

It is a fiendish power so permeated with a sacred aura that we are looking for the causes of economic and social evils everywhere except in the application of the monetary and credit systems. Looking elsewhere is permitted; but there, hands off, even for sovereign governments.

It is forbidden to search that particular field.

But how many minds eminently qualified to understand, to differentiate between a domination system and a service organization have preferred to close their ears and eyes for reasons of pride or interest!

Why would not the media give to the population the necessary information so that it would better understand that the present difficulties due to unemployment and its attendant hardships, are not solely the consequence of a contract, of a written constitution, but are due to the fact that our financial system, this super power, does not serve the community. It would seem normal that information media would very objectively echo the proposals made in this House by those who seek the means to settle this very serious problem before it is too late.

Yesterday, in this House, the leader of the Ralliement créditiste (Mr. Caouette) made a sincere and honest outline of the situation and suggested solutions that should be not only considered but applied, and newspapers do not even mention it. If the leader of the Ralliement créditiste had made a blunder or a statement worthy of some interest, by its unusual character, it would have been published.

I do not, by any means, blame the newspapermen who are in the pay of a controlled and conditioned press that must necessarily keep its influence, because it benefits from this super monetary power.

What we need, instead of this power, is a monetary power legally instituted so as to put it at the service of the community, as are the three others I have referred to earlier.

Yesterday, the Minister of Labour (Mr. Mackasey) said, and rightly so, that there were in banks huge sums of money waiting for borrowers. But that is not the problem.

To illustrate my point may I give the following example. A motorist crossing the Laurentian Park has a breakdown and tries to find out what caused it. Someone discovers that his tank is empty. The motorist would like to reach his destination but he has no more gas. A third one comes along, a representative of the monetary superpower, who says: You are wrong, and you are complaining for nothing, my good man, because gas is not lacking

in Quebec, there is some at Wolfe's Cove and at Bagotville. And the motorist answers: I know all that, I know there is some in those huge tanks, but it is my own small tank that is empty, and that is why my car won't run.

What is going on now is that the small tanks—the individuals' wallets—are empty and that is where it is necessary to put purchasing power. That is where a remedy should be applied.

In the second place, I remember a comparison made by the minister in his remarks. He contrasted the present Liberal administration with the previous Progressive Conservative government.

The minister may divert himself by comparing the present number of unemployed with corresponding statistics of the then Conservative administration, but it does not solve the problem. It is petty politics; it is making fun of people, especially those who are hit by unemployment. Whether the figures are 8.4 per cent in 1971 or 8.2 per cent in 1962-63, all the same, this is unemployment and a dangerous social plague at that.

In the third place, the minister rightly said that the leader of the Ralliement Creditiste made concrete proposals. I agree with him on this point.

Since I have been elected to the House of Commons, I hear the government talk about fighting inflation. Yet, we had told him so, and I remember having also said on many occasions, that his anti-inflationary policy would gradually push up unemployment, and this is what happened. As a matter of fact, the restraint policy, higher interest rates, and so on, discouraged initiative.

For these reasons, projects have been abandoned, that otherwise would have created jobs and precisely because of rent increases, higher interest rates and poor control of the money supply, all of which precluded companies and entrepreneurs from carrying out public works projects required by the population, by municipalities, by provincial governments and even by the federal government.

• (3:10 p.m.)

How many building jobs have been delayed or abandoned precisely on account of that notorious fight against inflation. At a certain time, the right hon. Prime Minister (Mr. Trudeau) says: There is no more inflation, boys, we can make a fresh start! It happened overnight!

Mr. Speaker, unemployment is serious because it is the primary cause for diminished purchasing power. Here I would like to express my view of matters clearly.

When the purchasing power decreases and the number of unemployed reaches 500,000, families, especially large families, are the first victims of the stagnation. The decrease in purchasing power automatically is followed by reduced sales.

It is obvious that if I have an annual income of $6,000 I will work out my budget according to that income. But, if at a certain time my budget is reduced to $2,000, I will have to reduce my purchases.

The drop in sales is the cause of the slowing down of production, which brings about an increased number of unemployed.

[Mr. Lambert (Bellechasse).]

The increase in the number of unemployed cuts down on purchasing power; the decrease in purchasing power is reflected in a lesser sales volume and this in turn causes a slow-down in orders from industries.

When plants have to store their products because of a shortage of orders or a decrease in sales, they lay off their workers who become unemployed.

This is the way we go around in circles. Misery, and destitution prevail in spite of a glut of goods made by Canadians for Canadians.

Progress in the field of manufacturing has as one of its side effects a decrease in the number of workers needed to create a larger productivity. This I will prove to you.

In 1970, in spite of an increase in the number of unemployed, the Dominion Bureau of Statistics tells us that the gross total production in Canada has increased by $22 billion; this goes to show that the machines did not stop operating. When machines operate, workers are laid off; they lose their buying power while the machines go on producing goods which people still need to buy.

Progress in the field of construction has had the effect of creating the same situation.

I have been in construction. I once had many workers under my supervision to erect some sort of building and today, when I visit a construction site, I note that with a very small number of workers, a similar building is erected in a relativly short time, which means that progress has also come to the field of construction.

With modern implements, producers have become more efficient. While employing less and less manpower, they can do more and do it faster, which means that the unemployed are simply watching machines do the work. Through a window of the plant, they can see that the machine is doing a tremendous amount of work but at the end of the week they are not paid for watching because they did not participate in the work. They are the unemployed: people with a lower purchasing power and dissatisfied people.

The same phenomenon can be found in public works for the construction of roads, bridges and public buildings. I will tell a good story hon. members in this connection.

As for the younger members who did not witness such a horrible thing, I ask them to check the story in old newspapers.

Forty years ago, when settlement roads and even highways such as the Trans-Canada Highway were built, many laborers were hired. The hon. T.-D. Bouchard, the great Liberal genius at that time—he was a minister in the Godbout cabinet in Quebec—had authorized the grading of Highway 20. Indeed, he had authorized the spreading of gravel on the road by a grader drawn by men to increase the number of jobs and tractors were rusting in the yards. I saw and experienced that situation and I can say where it happened. It was in Villeroy, in Lotbinière. I even have pictures. And we pretend to live in a civilized country.

The hon. minister was serious when he cited the Lord's words: In the sweat of thy face shalt thou eat bread. He forgot that at the same time, God created man in his own image to make him resort mostly to his intelligence. That is what man did. He used his intelligence to find out how to make natural elements work for him: water, wind and everything that God had created, in order to ease his physical tasks, in other words the work he had to do as an animal since animals are not intelligent. Our good Lord permitted that. Man wanted to adjust to nature's design.

At one time, man refused to make use of his intelligence to control a financial system that does not correspond to the needs in 1971.

Man is caught in a vice, a victim of his own inventions, because to this day governments have always considered the financial system a master and not a servant. That is the problem!

Mr. Bourassa, premier of Quebec—

Mr. Speaker: Order. I hesitate to interrupt the hon. member, but I must remind him that his time has expired. He may not continue without the unanimous agreement of the House. Is there unanimous agreement?

Some hon. Members: Agreed.

Mr. Lambert (Bellechasse): I thank you, Mr. Speaker, for your kindness and also thank my colleagues. I shall try to condense as briefly as possible the main ideas I wanted to develop in the course of this debate.

Mr. Speaker: Order. The hon. member will allow me to point out that several members wish to speak before the closing of the debate and I believe it would be fair on his part to limit his comment as much as possible.

Mr. Lambert (Bellechasse): Very well, Mr. Speaker. I wanted to say that the premier of Quebec Mr. Bourassa made a great discovery as recorded in The Gazette of January 15, 1971, by Richard Cléroux. I quote the premier's statement as reported: "The unemployment in Quebec is due to the postwar wave of births." It is extraordinary! Due to the great number of young people born shortly after the war and now reaching the employment market. Acording to Mr. Bourassa, that is the main reason for the high rate of unemployment in Quebec.

According to Mr. Bourassa, the birth-control pill came too late. If we were less numerous in Quebec or Canada, the problem would be solved. But at the same time, Mr. Bourassa, his party and his economists, say that the population should be increased through immigration to insure Canada's prosperity. There is nothing to understand.

The previous week, Mr. Bourassa had said that the high rate of unemployment stemmed from the fact that we were living in North America and that we were dependent upon the United States. Finally, he confirmed what many people say: that we mortgage our future to the U.S., that we promote there the actual credit, the nation's credit.

Before concluding my remarks, Mr. Speaker, I would like to make a suggestion in order to improve the present situation. In my view, eliminating the 11 per cent tax on building materials would greatly contribute to solve this problem, because it would give a boost to the building trade.

Secondly, I would invite the Prime Minister to read carefully the letter he received in the first days of January, from the mother superior of a religious congregation who, on New Year's day sat at her desk to meditate on the serious problems concerning agriculture and unemployment. This letter contains some most interesting suggestions that deserve to be read and pondered over by all hon. members.

I had intended to read this letter, but since my time is rather limited, I shall close my remarks by thanking all hon. members for granting me some extra time.

Mr. Speaker: The Minister of Finance.

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to ask a question to—

Mr. Speaker: Order. The hon. member for Joliette (Mr. La Salle) wishes to ask a question to the hon. member who has just sat down. I suggest, however, that, because of lack of time, we should allow hon. members who intend to take part in the debate, to do so immediately.

Mr. La Salle: Mr. Speaker, my question is a very brief one. I would like to ask the hon. member for Bellechasse (Mr. Lambert)—

Mr. Speaker: Order. As the hon. member's time has already expired, that question can be asked only with the unanimous consent of the House. Now, as this consent does not appear to have been granted, the Chair must recognize the Minister of Finance.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, has the House been asked to allow the hon. member for Joliette to ask his question?

Mr. Speaker: The Minister of Finance.

• (3:20 p.m.)

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I welcome the opportunity to speak further about the state of our economy during this renewal of the debate on the budget which I introduced in the House on the night of December 3.

In discussing our economy, it is essential to keep our primary objective as a nation foremost in mind. As I pointed out in my budget address, that objective is a

steady and sustainable improvement in the real income of Canadians everywhere. This, in turn, requires the fullest possible utilization of the nation's human and material resources. Because of the serious strains imposed in the economy in the past by the long upward surge of costs and prices at home and abroad, the utilization of both our human and material resources at present is below the level any of us would consider desirable.

As I have emphasized on a number of occasions, the government is deeply concerned about the current levels of unemployment existing in this country and the hardship this entails. But I am firmly convinced that, as a result of the strong fiscal and monetary stimulus progressively injected into the economy during the course of the past 10 months, the stage has been set for a substantial improvement in production, employment and real incomes.

In the budget which I presented to the House last month, I pointed out that a development of prime importance was that employment appeared to be rising in Canada and unemployment to be falling when seasonal factors were taken into account. In September of last year, unemployment on a seasonally adjusted basis reached a peak of 6.9 per cent. It declined to 6.6 per cent in October and 6.5 per cent in November. The figures for December, published only last week, show that adjusted unemployment during that month amounted to 6.6 per cent, which was also below the September peak for the third month in a row.

It is important to remember that this decline in unemployment was maintained during the balance of 1970 despite the fact that a substantial number of workers were jobless as a result of the impact on associated industries of the General Motors strike in Canada throughout the whole three-month period. Had that strike not been in effect or had it been settled sooner, unemployment would have been significantly less than that actually recorded. I might observe, in passing, that the General Motors strike south of the border, which also caused extensive unemployment in industries supplying the automotive company, had been settled by the time the labour force survey was taken last month. Nevertheless, unemployment in the United States rose from 5.8 per cent in November to 6 per cent in December, also on a seasonally adjusted basis.

For political purposes, Mr. Speaker, members of the opposition choose to ignore the real, underlying progress that is beginning to be made in reducing unemployment. It pleases them instead to concentrate exclusively on unadjusted unemployment rates and to totally ignore the fact that the actual number of people without work always increases sharply in Canada during the winter months even in the best of times, as I pointed out in my budget speech last month. During 1966, for example, average annual unemployment declined to the lowest level during the past decade at 3.6 per cent. In that year, actual unemployment varied between 2.6 per cent in September, when 205,000 workers lacked jobs, and 5.1 per cent in January, when there were 359,000 without work, a differential of 154,000.

[Mr. Benson.]

The amount of work which can be undertaken in the tourist industry and by farmers, fishermen or construction workers, for example, is severely curtailed in winter by ice, snow and freezing temperatures. Over a period of years, the proportion of the labour force unemployed during the wintertime because of seasonal factors has declined quite markedly. In part, this is the result of the development of new methods that make possible continuation of some kinds of outdoor work. In part, it is the result of the fact that a growing proportion of the labour force is engaged in occupations less affected by seasonal changes. Nevertheless, it remains a fact that during our Canadian winter there are a large number of people who are unable to work at their occupations.

During 1970 as a whole, unemployment in Canada averaged 5.9 per cent, compared to 4.7 per cent in 1969. An important factor which contributed to this increase was the continued rise in the number of Canadians put out of work because of industrial disputes. Since 1962, the amount of time lost as a result of such disputes has been growing at an average annual rate of more than 25 per cent. In the second quarter of 1970 alone, more than three million man-days were lost as a result of strikes or lockouts. On the assumption that each person involved in an industrial dispute results in one other person in a related industry being laid off, industrial disputes in the second quarter alone accounted for some 50,000 persons being added to the ranks of the unemployed. This is quite apart from the strikers themselves, who are not counted among the unemployed. It is estimated that in the absence of layoffs resulting from industrial disputes, average unemployment during 1970 would have been reduced from 5.9 per cent to 5.5 per cent, which compares with the average rate of unemployment between 1961 and 1969 of 5 per cent.

Perhaps the most important single element in our manpower situation is the fact that Canada has by far the fastest growing labour force of any country in the industrialized world. It is, of course, obvious that during the past year the creation of new jobs failed to keep pace with the increases in the size of the labour force. Nevertheless, the increase in Canadian employment during 1970 of 1.3 per cent exceeded that in the United States by a third and was significantly higher than the average annual employment growth of every major European country between 1961 and 1968. In two leading European countries, Germany and Italy, average annual employment actually declined by .2 and .9 per cent respectively during this eight-year period of strong economic expansion.

Mr. Baldwin: Why are people going back to Europe, then, from here?

Mr. Benson: It is not to increase the labour force. Even in the period of moderate economic growth which we experienced last year, it is probable the figures will show that in relative terms Canada led the world in the creation of new jobs for its citizens.

Beginning with the budget last March, fiscal and monetary policies have been geared progressively to promoting

a major expansion of the economy as the dangerous pressures of inflationary prices have been brought under control. To refresh the memories of hon. members of the opposition, I would like to outline briefly the measures the government has taken to turn the economy around—

Mr. Baldwin: Turn it upside-down!

Mr. Benson: —during the past nine or ten months. Last March although the financial critic for the official opposition was wringing his hands about inflation and suggesting spending cuts and tax increases, we produced an expansionary budget, a switch on a cash basis of over $750 million. In June we increased outlays to the provinces by some $350 million. Another $73 million went into a summer employment program for students, and expanded social assistance programs. In August, we pumped an additional $100 million into the 1970 CMHC capital budget and a further $140 million in 1971 to finance an additional 15,000 units of low cost housing. Construction of these housing units is already under way in regions where the need is great and unemployment highest. At the same time there was a special program of $60 million for capital and other projects in regions of slower economic growth and for manpower retraining.

• (3:30 p.m.)

As I emphasized earlier, we did all these things in stages, as we found that we could responsibly take additional measures consistent with the maintenance of economic stability. By December we determined we could take further action, and we did so. The budget then provided for additional expenditures of $100 million this fiscal year, and $400 million in fiscal 1971-72, for a total of $500 million.

In the December budget I announced a 10 per cent increase in unemployment insurance benefits, an additional $23 million for capital improvement projects in areas of highest unemployment, another $20 million for the development of roads and other local services for the new Montreal International airport, another $40 million for CMHC for additional low cost housing construction on top of the 15,000 units mentioned earlier, loans totalling $150 million to the provinces for quick job-creating capital projects, an industrial incentives program for southeastern Ontario and southwestern Quebec, direct loans and loan insurance to the footwear industry, substantial assistance to the shipbuilding industry, and a capital cost allowance supplement to encourage an early expansion of capital investment in the manufacturing and processing industries. I said then the $150 million loan program was to encourage provinces immediately to undertake projects that they could not otherwise afford to finance at the present time.

Activity is moving ahead rapidly. We have reached agreement with Quebec on a full allocation of their $70 million share of the fund. Contracts are being let for sections of an auto route through the city of Montreal which will form part of the trans-Canada highway. Already, there are 1,000 men at work on the site and the Quebec government expects 2,400 men to be at work by April. Several times that number of jobs will be created in supplying and carrying material to the site. Our officials have agreed with the government of British Columbia on allocation of that province's $37 million share of the loan fund for municipal projects in the province. B.C. plans work on these to start immediately. We have been meeting with the other provinces in order to expedite projects and they will be submitting applications within days. There will be no delay in granting approval for qualified projects.

We are accused by the opposition of being complacent about unemployment. This allegation is pure nonsense. The Prime Minister (Mr. Trudeau) and his cabinet spend the bulk of their time studying and taking action aimed at improving the circumstances of Canadians.

Mr. Baldwin: That is not what we see.

Mr. Benson: That simply proves that as usual the opposition has not been listening for the last five minutes. We took the decisions which succeeded in bringing under control the worst peacetime spiralling of prices and costs, and we have and will take the decisions to achieve a substantial and sustained economic expansion.

The effect of all these changes in fiscal and monetary policy over the course of the past 10 months has been to provide a very large stimulus for expansion of the Canadian economy. Predictably, however, they have not satisfied members of the opposition. These opposition parties, Mr. Speaker, were totally devoid of any sound policies or programs for dealing effectively with earlier problems that plagued our economy and they are bankrupt of sound ideas in respect of our current needs. They are engaged, I believe, in a frantic scramble to outdo each other in their demands for massive tax cuts and increased government spending without the slightest consideration for the severe damage that could be inflicted on our economy if their proposals were adopted. The official opposition, the Conservative party, appears to have as many ideas about the economy as it has spokesmen. This should come as no surprise to anyone, for when they were in office several years ago—and some members of that government are still seated on benches opposite—the nation suffered through the longest and most severe bout of unemployment in the postwar period.

As an example of will-o'-the-wisp thinking of the Conservative party, we have only to look at the shifting position of the party's financial critic, the hon. member for Edmonton West (Mr. Lambert). Last March, when the government saw the time had arrived gradually to restimulate the economy, he complained about the $900 million increase in spending that was proposed. "That is not controlling expenditures," he said. "If there were to be real control, if there were to be a real fight against inflation by fiscal measures, we would be taxing to defeat inflation, not merely to catch up with the bills that are coming into the government." In October, seven months later, he told us that the spending measures taken in March were not enough. He said that a "much more massive injection must be furnished by the government."

Beyond suggesting for several months that the government should "do something", the Leader of the Official Opposition (Mr. Stanfield) had no concrete proposals to offer until only a few weeks before the December budget. At that time he decided that all our problems would be solved by slashing taxes, in addition to all the vague and undefined increases in federal spending he has also been proposing. The Leader of the Opposition sets off across the country proposing wholesale tax cuts that would cost the governments of this country up to a billion dollars. Since he pooh-poohed my calculation, let me just put on the record how this figure is arrived at. The removal of the surtax would cost $240 million; removal of the 11 per cent sales tax on building materials, $360 million; and a 6 per cent personal income tax cut would involve a loss in federal and provincial revenues of $445 million, for a total of $1,045 million. This would mean a loss to governments, because reductions in federal income taxes also reduce the revenues of provinces which the Leader of the Opposition says have not enough money now. I hope he drops in on the Conservative premier of Ontario as well as the Conservative premier of New Brunswick and tries that idea out on them.

Then, we have the hon. member for Prince Edward-Hastings (Mr. Hees), who was a senior member of that ill-fated Conservative government. He wants a massive but unspecified reduction in business taxes. I had hoped his leader would make it clear during this debate whether a corporate tax cut is official party policy. And if the Conservatives are talking about a corporate tax cut similar to their proposed 6 per cent personal tax cut, then they are talking about another $118 million.

I am sorry that the Leader of the Opposition did not find it possible to remain in the House for the continuation of this debate which was requested by his own party.

Mr. Baldwin: He has gone to meet a few more of the unemployed.

• (3:40 p.m.)

Mr. Benson: This indicates his obvious disregard for the House of Commons.

Mr. Baldwin: He will be here to vote tonight.

Mr. Benson: He is going to be like so many other Conservatives who only show up for the votes. I have a few suggestions I wanted to make to him before he continued his travels to central Canada and the Atlantic provinces.

For instance, he might tell people who call in on the hot line shows what he would do after cutting taxes. The one billion dollars has to come from somewhere. Perhaps he would cut some government programs like unemployment insurance, or social assistance programs. Or perhaps he would keep the programs at their present level, increase the deficit and borrow the money to cover the deficit. He might wish to explain how he would do this without shoving up interest rates at a time when we are trying to provide housing in regions where housing is poor and unemployment is highest.

If he proposes to maintain programs at their present level and increase the deficit, he should tell the Canadian people what this adds up to. Already, with our present programs, we are forecasting a deficit for the next fiscal year of about $600 million. So, if the Leader of the Official Opposition had his way, the Canadian public could look forward to a deficit of at least one and one-half billion dollars, and that is without one further cent of spending beyond what we now forecast. I hope the hon. gentleman will explain to Canadians the consequences of a budgetary deficit about double anything we have ever run in Canadian peacetime history.

The Leader of the Opposition might also like to explain on his travels who would directly benefit from his proposed tax cuts. Tax cuts would have a stimulating effect; I have never denied that. Nor have I said they would be unduly inflationary at the present time. Government spending also has a stimulating effect, and when it is aimed at industries and regions that need help results are achieved faster and more directly. But who would directly benefit from a tax cut? Normally, the people who benefit from a tax cut are those persons and regions that enjoy the higher incomes. It is not the unemployed, because their incomes are not high enough. And, of course, if government programs were cut to pay for the tax cuts, then those most in need would suffer even more.

The Opposition appears to have embraced the trickle down theory, the theory that if you leave enough money in the hands of the well-to-do it will eventually trickle down to the people who really need it. While it is not surprising, that this position has been adopted by the Conservative party, it is surprising to find members of the New Democratic Party rushing to adopt the same position for the first time only after I brought down my December budget. They called for tax cuts of 10 to 15 per cent, in addition to urging the government to spend billions of dollars more for social assistance, social capital and for economic development, the result of which would be an astronomical federal deficit, with the result I previously indicated.

Members of the Opposition parties are like the Bourbon kings of France, Mr. Speaker: They learn nothing and they forget nothing. Those responsible for governing the affairs of nations around the world have learned that attempts to accelerate economic growth too quickly and too hard are in the end self-defeating. The lesson has not penetrated the minds of members opposite, whose approach seems to be dominated by a lemming-like instinct for self-destruction.

The measures we have already taken to spur the growth of production and employment will require the federal government to raise a substantial amount of cash in the coming fiscal year, which in turn has an important bearing on the extent to which the monetary and banking system is expanded. As I said in my budget speech last month: There are limits to the extent to which the banks can be encouraged to increase their holdings of government securities without running the very serious risk that the expansion and increased liquidity of the

banking system will trigger inflation and expectations of inflation.

We have learned from hard experience that what is regarded by the public as an excessive increase in the money supply can play a major part in triggering such inflationary expectations. These expectations, in turn, can very well have the perverse effect of causing interest rates to rise sharply as lenders demand a higher return on their money to offset the anticipated erosion in the value of their money.

A reversal of the recent marked trend toward lower interest rates would have the effect of discouraging business capital investment, housing construction and many other forms of economic activity. Higher interest rates would also tend to set a vicious circle in motion. Funds from abroad would flow into Canada to obtain the higher return, putting further upward pressure on the value of the Canadian dollar and further reducing the competitiveness of Canadian goods at home and abroad. If the government took steps to restrain the increase in the value of the Canadian dollar by buying foreign exchange, its cash requirements would be increased still further and so would the upward pressure on interest rates, which is the last thing we want at the present time.

At the outset of my remarks, Mr. Speaker, I readily acknowledged that the performance of the economy generally over the course of 1970 was not as buoyant as we would like to see. Nevertheless, there are substantial elements of strength apparent that auger well for the future.

In the budget, I pointed out that real output in the economy has begun to rise again in the third quarter following a pause in the second. It will be some time yet before the national accounts for the fourth quarter are published, but it is encouraging that in November the industrial production index, an important indicator of economic activity, increased by 1.3 per cent over the previous month. This increase, which is the largest month to month rise since last February, occurred despite the serious drag on industrial output resulting from the General Motors strike.

A further sign of gathering strength in the Canadian economy is evident in the value of non-residential building permits issued in October and November, which were above the levels of a year ago for the first time in 1970. After lagging earlier in the year, housing construction increased sharply during the latter part of 1970 because of the heavy injection of funds provided by the federal government as part of the series of measures adopted to promote faster economic growth. During the fourth quarter of last year, the number of housing starts was running at a seasonally adjusted annual rate of 260,500, which is the highest rate recorded since the first quarter of 1969.

Only late last week, the DBS reported that as a result of a substantial increase in exports, Canada achieved a merchandise trade surplus with other nations of $2.95 billion. This is not only more than double the previous peacetime peak of $1.3 billion, in 1968, but also exceeds the 1945 wartime record of $1.7 billion by more than $1.2 billion.

During 1970, business capital investment lagged significantly behind the increase originally anticipated by private companies contributing to the moderation of economic growth. Despite this shortfall, however, it is encouraging that a recent survey of some 200 large corporations in Canada undertaken by the Department of Industry, Trade and Commerce indicated that these companies expected their capital investment during 1971 would exceed actual expenditures last year by approximately 11 per cent.

A major source of economic strength is the extraordinary progress made during the course of the past year in bringing inflationary prices under control. In December, the consumer price index declined by .4 per cent from the previous month. The year to year increase in the index for December of 1.5 per cent was the smallest rise since 1964. Between February and December, the consumer price index also rose by only 1.5 per cent on a seasonally adjusted basis, which is a substantially smaller increase than that of any other major industrial nation.

• (3:50 p.m.)

During 1970 there was a substantial decline in interest rates, reflecting the easing of monetary policy started last year when the opposition were still fighting inflation, and the growing confidence that inflation was being brought under control. By mid January of this year, the yield on 91 days treasury bills was 4.66 per cent, compared to yields of more than 7.5 per cent recorded in late 1969 and early 1970. Earlier this month there was a further reduction from 7.5 per cent to 7 per cent in the prime lending rates of the chartered banks which, during January, have also led a movement toward lower NHA mortgage rates. There has been a substantial decline in other long term rates as well. By the middle of this month, the rate on long term government of Canada bonds was down to around 6.7 per cent, compared to rates of more than 8.3 per cent at the turn of 1969/70. All of these developments on the monetary front will contribute in a very real way to economic expansion.

Mr. Alexander: When?

Mr. Benson: I will get to that later.

In the budget which I presented to the House last month—

Mr. Baldwin: We have been waiting for a year.

Mr. Benson: But you have not been listening for a year. That is the problem.

In the budget which I presented to the House last month, I expressed confidence that the economy would grow at a healthy rate during 1971 and that unemployment on a seasonally adjusted basis would progressively be reduced throughout the year.

Mr. Bigg: Can you bet on that?

Mr. Benson: Yes, I am willing to bet.

This forecast was, of course, greeted with scorn by members of the opposition who have vested political interests in painting the darkest possible picture of the state of our economy at all times.

An hon. Member: What about Paul Martin?

Mr. Benson: I can remember back in 1966 when unemployment was 3.6 per cent, but the economy was going to pieces according to the opposition.

It is worth noting, therefore, that a number of other, more objective sources are inclined to share our view of the economic outlook. In its most recent international survey, the Organization for Economic Co-operation and Development foresaw the prospect that the growth of GNP during the second half of 1971 would equal or perhaps even slightly exceed potential capacity in Canada. As they said "this would be consistent with a decline of unemployment after the early part of the year".

On December 10, the *Globe and Mail* reported that "a sharp acceleration of Canada's real economic growth rate in 1971 was predicted yesterday by participants in the annual business outlook forum held by the University of Toronto school of business". On January 12, the *Gazette* reported that the European Financial Society, a major international financial consortium, forecast that Canadian GNP would increase by 8.5 per cent and industrial production by 5 per cent during 1971.

I noted with interest that one of the aspirants for the Conservative leadership in Ontario, education minister William Davis, was reported in the Toronto *Star* yesterday to have expressed confidence that measures taken by the federal and provincial governments will soon ease Canada's unemployment problem.

Mr. Alexander: That was yesterday. Wait 'till you read his speech today.

Mr. Benson: Only this morning, the *Globe and Mail* reported that the Ontario department of treasury and economics—and here I am quoting good Tory sources—expected the provincial economy to recover ground lost in 1970 by the middle of 1971 and, as the *Globe and Mail* put it, "to be on the way to a boom by year's end".

I am sure that this confidence in the renewed vigour of our economy will prove to be fully justified in the months ahead if we, as a nation, maintain our orderly course and refuse to be panicked into rash and ill considered actions that inevitably would do our economy far more harm than good.

Yesterday, when the Leader of the Opposition was speaking of the government he used the words "prideful" very often. He referred to us as a prideful government. If this means that we have pride in the accomplishments of the Canadian people, we have pride in being Canadian and we have confidence in the future of this great country, then we are pleased to be called prideful.

Some hon. Members: Hear, hear!

Mr. Speaker: I believe the hon. member for South Shore (Mr. Crouse) seeks the permission of the minister to ask a question.

Mr. Crouse: Yes, Mr. Speaker. I listened very attentively to all that the minister had to say. With governments at all levels taking some 38 per cent of the gross national product, I would like to ask the minister how much higher this percentage rate will go and at what point the minister thinks rising taxation will retard the economy by discouraging both saving and capital investment.

Mr. Benson: Without accepting the 38 per cent figure, which I think is debatable, I think the hon. member will find if he looks at it very carefully that the percentage of GNP taken out of the economy by all governments in Canada is slightly higher than that in the United States and lower than in almost all European countries.

Hon. J. A. MacLean (Malpeque): It is not my intention to reply directly to what the Minister of Finance (Mr. Benson) had to say because when I collected my few throughts on this important budget debate I was unaware of the fact that the minister would be speaking immediately before me. However, one thing is clear from his remarks, and that is that he is not aware of the fact that national budgeting and the national monetary pol cy are more complicated than balancing a household budget, or something of that sort. It is obvious to anyone that when tax levels become very high they sometimes pass a point of diminishing returns. I am of the opinon that some of our taxes have already passed that point under present conditions.

I wish to refer briefly—and my speech will be brief—to the budget on which this debate is based. The budget, in my opinion, is a budget of missed opportunities, a budget filled with sins of omission. The government has failed to take the opportunity offered to it on December 3 to come down with a budget which would have a beneficial effect on the economy at this time. I think the government failed because it did not have its eyes on the horizon. Instead, at best it had its ear to the ground or at worst its head in the sand.

An hon. Member: And its rump in the air.

Mr. MacLean: Perhaps those were the only two choices it had because, as some cynic has said, you can only have your ear to the ground or your head in the sand when you are prostrate before your leader. Incidentally, a leader who, through no fault of his own, has no personal knowledge of want or privation, no doubt finds it difficult or impossible to have sympathy for and rapport with workers who find themselves out of work through no fault of their own and are therefore unable to earn the income which they and their families require.

• (4:00 p.m.)

If the government had had its eyes on the horizon on December 3, or even last summer, what would it have seen? It would have seen dark economic clouds on the horizon. It would have seen that by mid-December 538,000

Canadians would be unemployed. It would have seen that 133,000 Canadians would be losing their jobs in four short weeks from mid-November to mid-December. It would have seen that the ranks of the unemployed would be swollen by 162,000 in the same short period from mid-November to mid-December, the latest period for which we have figures. It would have seen 28,000 people lose their jobs in the Atlantic provinces in the same period. That is about 1,000 people a day, Mr. Speaker, with the ranks of the unemployed in that area swollen from 42,000 to 54,000 and the labour force reduced by 16,000, about 4,000 a week, through emigration from the Atlantic provinces because of total despair.

The government would also have seen that this was not a world-wide condition brought on by unknown forces affecting all countries alike disastrously, as was the case during the great depression of the thirties. It would have seen full employment in such diverse countries as Japan, South Africa, the United Kingdom, West Germany and many others, and in contrast would have seen unemployment growing at a disastrous rate in Canada. It should have divined that Canada was affected by some unique misfortune, and found that that unique misfortune likely was its own policies.

What did the government do in this situation, Mr. Speaker? Did it listen to suggestions from the business community? No. Did it seek the advice and guidance of its own supporters? Apparently not. Did it show anything but disdain and contempt for warnings repeatedly offered by all opposition parties? Again, the answer is no. Did it show any humanitarian attitude, or any humanity for those who were shortly to be unemployed? Again, the answer is no.

Only yesterday in this debate the Minister of Labour (Mr. Mackasey) said:

> It takes courage sometimes to create unemployment. We have created unemployment in the textile industry and we will probably create it temporarily in other industries as we automate and as we rationalize these industries.

It does not take courage, Mr. Speaker, to create unemployment. It takes callous incompetence.

Some hon. Members: Hear, hear.

Mr. MacLean: The Minister of Finance, and the government generally, have made a great deal about the fact that the figures we quote have not been seasonally adjusted. The experience of the unemployed people in my constituency is that that they do not find themselves any better off after they have been seasonally adjusted.

What did the government do, Mr. Speaker? It argued with irrefutable logic from false premises, and arrived irresistably at the wrong conclusions. What should the government have done? There are a number of things it should have done in this situation. It could have reduced or eliminated the surtax, and given some short-term tax relief which would have stimulated the economy. It could have eliminated part or all of the 11 per cent sales tax on building materials. It could have instituted an effective winter works program. As a humane move, it could also have taken some immediate steps to extend temporarily unemployment benefits to many who are now out in the cold. But, Mr. Speaker, all these are short-term programs. What about medium and long-range action?

It is my belief that the government must resist, contain and eventually reverse certain forces which, if allowed to continue, can only lead us to disaster. One of these forces is that flowing from the government's monetary policies, which is leading the Canadian people deeper and deeper into debt both for consumer goods and for government at all levels, municipal, provincial and federal. As a people, we cannot continue to go everlastingly deeper in debt at an ever-increasing rate. The federal debt is increasing relentlessly, and there is an insatiable appetite for borrowing money, with the result that interest rates are unconscionably high. Between the increasing cost of money and the increasing debt of Canada, we are now in the position where the Canadian taxpayer is paying more than $4 million a day in carrying charges on the national debt, not to mention the debts of the provinces and taxpayers' personal debts. The federal government must set an example of better financial management than that. Surely, Canadians deserve a better fate than to live life from the cradle to the grave in arrears.

Second, Mr. Speaker, the government must lead in a progressive approach to the objective of eliminating sales tax on consumer goods where it in any way increases the costs of the basic essentials, shelter, food and clothing. The cost of living cannot be anything but high when in many cases it is commonplace for the combined federal and provincial sales tax to make up 18 per cent, or an even higher percentage, of the total price of an article. We, as a country, must strive for higher productivity in order to be competitive, and the government has a responsibility in this field. It must lead the way. Labour and management must realize that they are in the same boat. They are a partnership whether they like it or not, and are not adversaries. Together, they must develop a common objective of successful competition, in world markets.

We must develop a tax structure that will encourage profit sharing by companies with their employees. Employees should have an opportunity to have some direct financial interest in the success of the company for which they work, to the benefit of the employees, of the company and of the country as a whole. Conversely, the attitude of employers, especially in large companies, should be that their employees are going to seek out a life career with their companies, that together they are in a life partnership for their mutual benefit. I know that profit sharing with employees is practiced in Canada by a few companies. It has worked in other places, with striking success. An added advantage would be that Canadians would be encouraged to invest in Canada. I believe that Canadians should be as willing to invest in Canada as Americans are. After all, it is our country. We must learn from other countries, from their successes and from their failures. For example, we have much to learn from the Japanese. They have the highest growth rate in gross national product in the world. Over the past decade the annual average rate of growth of the Japanese gross national product, in real terms and with full employment,

has been a little above 10 per cent. In contrast Canada's growth, although better than that of many countries, is only at about 5 per cent, which is half the Japanese rate, and we have had varying amounts of unemployment from time to time.

• (4:10 p.m.)

Unemployment, Mr. Speaker, is wasteful. Our failure to use to full potential the human resources and skills of our people not only is reflected in a lower standard of living but also in a lower standard of opportunity for all of us. It is a waste that we cannot afford. We must find the means and the determination to eliminate it. Perhaps in this northern climate we cannot entirely eliminate seasonal unemployment. Yet, we ought to succeed in eliminating the more permanent type of unemployment. Our economy should be such that everybody capable of working is fully employed during the spring, summer and autumn months. We must develop, I believe, industries employing a high degree of technology so that we may be in a competitive position in the world's markets and not be so dependant for our export trade on resource industries such as the pulp and paper industry, minerals, agricultural products, fish, and so forth. In all this, the federal government has a vital and important role to play. In addition to this, Mr. Speaker, the government, in common with all governments, has a great and vital responsibility.

I know that the ambition of those who support this government has been achieved. Their party has acquired power. Nevertheless, their responsibilities have not been fulfilled. This government is presently the custodian of a great trust on behalf of the Canadian people. It is responsible to a great degree not only for the immediate economic welfare of the Canadian people but also for the future well being of our great nation. That great future cannot be realized in a climate of economic uncertainty in which everyone becomes, sooner or later, the victim of economic vicissitudes flowing from the fickle whims of an incompetent government. In these trying times, even our economic system is on trial. All those whose future depends on its and on its well-being, and that is everyone, should realize that. If it fails, then it provides rich soil for the growth of every kind of extremism. Economic distress such as we have at present, Mr. Speaker, creates the troubled waters in which the professional agitators who wish to see our system destroyed love to fish.

In closing, Mr. Speaker, I ask the government to repent some of its ways, to reconsider some of its actions, to keep a more open mind to advice, from whatever source it comes, to weigh that advice, and to consider it. To the Canadian people generally I say, although this is the new year, that I cannot be too hopeful about the short run. I say this because of present conditions. Yet I believe, with the Minister of Finance, that our country has a great future and that if Canadians learn to work together towards economic prosperity and the acquisition of other forms of the good life, we can all go on to a great future. I say to the Canadian people, be patient. Though we have the most incompetent government in memory, even that will pass.

[Mr. MacLean.]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, having taken part at an earlier stage of the budget debate, I had not intended intervening again. Nevertheless, the unemployment situation has grown ever more serious since I spoke in this debate on December 8, last. I think the Canadian people are aroused and appalled at the extent of unemployment in this country, and I think they are even more appalled at the government's indifference to meet this situation. Yesterday the Minister of Labour (Mr. Mackasey) said that nobody on his side of the House is happy about the unemployment rate. But, Mr. Speaker, it is not a matter of being either happy or unhappy about the unemployment rate. What we are asking for now is, first, who and what is responsible for this crisis; second, what immediate steps and what long term measures does the government propose to adopt in order to cure the unemployment crisis confronting the Canadian people?

Mr. McCleave: The answer is, none.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, there can be no doubt as to who is responsible for this situation. There, on the treasury benches, sit the guilty men. They must accept the responsibility for the fact that between 500,000 and 600,000 are unemployed in Canada. In addition, 100,000 persons who are taking manpower retraining are also unemployed but are receiving training allowances. The government is responsible for the situation in which we now find ourselves. They are the men who deliberately set out to create an economic slowdown and unemployment because those were the only means they could think of to curb inflation. The government turned a deaf ear to all advice relating to the consequences of their austerity program and their fiscal and monetary policies. They refused to take the necessary steps to prevent the unemployment which they knew would flow from their policies. After all, the Prime Minister (Mr. Trudeau) himself said that they were so anxious to defeat inflation he was even prepared to accept an unemployment rate of 6 per cent. It has now reached a rate of 6.6 per cent, seasonally adjusted. The Prime Minister and his colleagues knew that the policies they were following would bring about massive unemployment, yet they prepared no programs to remedy the crisis which they themselves created.

• (4:20 p.m.)

The first mistake was in accepting the thesis that the government had to choose between inflation and unemployment. They paid no attention to the recommendations which were made year after year by the Economic Council of Canada. These recommendations pointed out that by planning our economy, and with proper fiscal, monetary and investment policies, it was possible to have an economic growth rate of 5.5 to 6 per cent as well as to keep unemployment at three per cent or less. At the same time, price stability could be maintained and price increases kept to two per cent or less. The government paid no attention to this. Instead, they proceeded with their austerity program. The New Democratic Party warned the government that unemployment would be the result.

We urged the government not to fight inflation by creating an economic slowdown. We urged them to set up machinery for capital investment and for some control of investment on the basis of social priorities and for employment creating purposes. We urged them to establish a prices review board in an endeavour to stop unjustified increases. We said that if that was not successful, we were prepared to support selective mandatory price and income controls. We warned the government that the methods they were using to combat inflation would inevitably result in the kind of economic recession in which this country now finds itself.

It is interesting to note that Mr. John Young, the chairman of the Prices and Incomes Commission, said, as reported in the Toronto Daily *Star* of January 16, that the price paid for victory over inflation, massive unemployment, was too high. He said and I quote:

"There is a way to fight inflation and save jobs,"—

Young said the best method of fighting inflation is to get voluntary support for mandatory price and wage restraint, then force adherence to the voluntary guidelines through legislation or government pressure.

This is preferable to the alternative of forcing a slowdown in the economy, which inevitably involves higher unemployment,—

We certainly welcome the change in attitude by Mr. Young. It is precisely what we have been saying for the past two years. We cannot stop inflation by periodically creating economic recessions. There are tools which this government did not have the courage to use. Today, this country is paying the price of a government that was short-sighted, incompetent and lacking in moral courage to deal with the problem of inflation without putting half a million people out of work. As the Economic Council of Canada has been pointing out for the past four or five years, Mr. Speaker, what we need in this country is a greater measure of economic planning designed to promote full employment, economic growth and a high level of national income while at the same time maintaining a relatively stable price structure. This requires some changes in our institutions for governmental planning.

The government should establish an economic planning board or a department of economic affairs to plan the economy of this country. It could co-ordinate the work of the Department of Finance, Bank of Canada, the Department of Industry, Trade and Commerce, the Department of Manpower and Immigration and the Department of Labour. In this way, we would not have the kind of program that we have had for the past five or six years. We have had a stop and go program. In one budget, the Minister of Finance (Mr. Benson) put his foot on the gas, in the next budget he put his foot on the brake and in the next budget he again puts his foot on the gas. A stop-go policy will only lead us into more trouble.

If we accept the premise of the government that the choice is between inflation and unemployment, are we to assume that the steps that are to be taken now, too late, to put money into economy, merely means that in 12 or 18 months from now we will again have inflation? Once more we will be putting on the brake, and once more we will have unemployment. Surely, in this day and age with our sophisticated economic tools, our knowledge of Keynesian techniques, it is possible, as demonstrated in other countries, to avoid periodic booms and busts. We should be able to plan an economy which will meet the needs of our people without terrific and catastrophic changes in the business cycle.

The attempts of the government to cope with this crisis are, as Winston Churchill said of certain activities during the war, too little and too late. In the budget which the Minister of Finance brought down on December 3, he proposed some of the things which should have been in his budget of last March. Moreover, he refused to bring down some of these things and ridiculed us during the debate on the budget of last March. The fact that he had to bring in a second budget in December is proof that the budget he brought down in March was completely incapable of coping with the problem of unemployment, which even then was beginning to manifest itself.

In March, the Minister of Finance ridiculed those of us on this side of the House who talked about winter works programs and assistance to the provinces and municipalities in order to assist the unemployed in finding work, particularly in the winter season. In December, when it was too late for the provinces and municipalities to make use of financial assistance to help solve unemployment this winter, the minister announced a $150 million loan fund. A loan fund of $150 million is totally inadequate. Approximately $70 million will be loaned to the province of Quebec. The rest will be spread over the other provinces. The individual provinces, including Quebec, will not receive sufficient money to even begin to cope with the problems which are facing the provinces and municipalities. It has come too late to help this winter. It is too little to be effective for the coming year.

Premier Bourassa of the province of Quebec, at the federal provincial conference, asked the federal government to set up a fund which would be partially on a loan basis and partially on a grant basis. The amount of the contribution that would be grants would increase on the basis of unemployment in each province. Apparently, the government has rejected that suggestion. The entire $150 million will be in the form of loans to the provinces, if I remember correctly, at 7.91 per cent interest. When a province borrows from the federal government, that debt becomes a contingent liability and this directly affects the ability of the province to borrow money on the open market to meet its other responsibilities and obligations. If the government really wanted to help the provinces and the municipalities this fund should have been a fund from which grants would be made to the provinces and it should have been of a size many times the $150 million the government is offering.

• (4:30 p.m.)

We have heard from the government statements which indicate they are taking refuge in the time lag between the point at which money is pumped into the economy and the point at which jobs result. Of course, the government must take responsibility for that time lag. Yesterday, the Minister of Labour said the Minister of Finance

had taken the appropriate steps and that these would bear fruit in the spring. Well, it is great consolation for the unemployed to know they will bear fruit in the spring. But why has the government procrastinated? Why did they not do last year some of the thing they are talking about doing now?

As we have pointed out in this debate, there are certain things which could be done immediately. Unemployment insurance benefits could be increased and the number of persons entitled to benefit could be enlarged. When I asked whether the government would do these things, the Acting Prime Minister (Mr. Sharp) said I must have overlooked the fact that the government had already raised the amount of benefit by 10 per cent. So, a man drawing the maximum of $53.34 would get $5.30 more. Yet the white paper says the maximum should be not $53 a week but $100 a week. We have asked that the categories should be enlarged and that persons who have exhaus ed their right to benefit should have that right extended. If we do not take action of this kind, many of these people will find themselves in extremely difficult circumstances.

We have pressed the government to amend the manpower training regulations so that young people who have not spent three years on the labour market will be able to take training. When are these young people to get training when we exclude them from the benefit of training allowances until they have spent three years on the labour market? Are they to be perpetually unemployed because they are untrained and cannot qualify as a result? If the government really wants to cope with the problem presented by unemployment among young people—218,000 below the age of 25—they ought to be prepared to amend the regulations so that these young people will be covered.

We have suggested the government should have allowed the 3 per cent surcharge on personal incomes to expire. Criticizing us today for making this proposal, the Minister of Finance said it would cost money. I want to point out that last March he said with great pride that the 3 per cent surtax would be dropped at the end of December. Why is it a bad thing, now, when it was a good thing last March? If the government was able to wipe out the tax in March, 1970 as a means of stimulating effective demand, why, in January of 1971, does it suddenly become disastrous to suggest that the government drop it? The government should have allowed the tax to expire, as was originally announced, and this would have done a good deal to leave a little more money in the pay envelopes of every worker so that he could buy more goods and create the demand the economy needs at the present time.

We have pressed the government to increase old age pensions and veterans pensions and to make the increase effective on January 1 for the same reason; this also would help to create effective demand. It is interesting to recall that last March, and since then, when we talked about increasing pensions, the Minister of Finance or the Prime Minister would say we were trying to foster inflation. Now, the government decides it can be done, but not in time to be of help this winter. It can be done on April 1 next.

We have pressed for the removal of the 11 per cent sales tax on building materials, particularly in housing, and today the Minister of Finance complained about the loss of revenue this would entail. I want to point out that this tax was imposed not for the purpose of increasing revenue but for a different objective. When Mr. Walter Gordon introduced that tax, he told the House it was a question of slowing down building in this country because there was a shortage of both building material and construction workers. At that time, there may have been some need to cool off the amount of construction under way but surely if the sales tax was imposed for that reason, now is the time to take it off. I think the effect would be that instead of falling short of its housing target by 20,000 dwellings, the government could reach its objective next year besides putting a great many more people to work. There is no greater multiplier in the whole economy than housing construction.

I want to suggest something the government could do without waiting for next spring when housing construction will start. Our party has for a long time been agitating that the government, either on a permanent basis or as a temporary measure this year, should offer interest-free loans to individuals for home improvement. There would have to be a ceiling, of course, but there are literally hundreds of thousands of people with old homes that need to be renovated, that need alteration, that need improvement, that need to be made weatherproof, and this would provide all kinds of jobs for carpenters, plumbers, electricians and plasterers across this country. Such a program could be put into effect even in wintertime if the government were prepared to shake itself out of its lethargy.

In addition to short term measures the government ought, of course, to be giving the House details of the long term measures it proposes to take to develop a policy of economic growth and full employment accompanied by relative price stability. The government has to take action so that the country may know we are not going to oscillate constantly between boom and bust, between periods of affluence and periods of economic depression. I must say that in this debate I have been extremely disappointed that the two ministers who have replied on behalf of the government have completely failed to tell us of one concrete measure the government intends to take to relieve the misery and the hardship experienced not only by the 538,000 unemployed but probably by another 750,000 or a million, of their dependants.

Yesterday, the Minister of Labour followed the old debating technique of attacking the other side rather than tackling the problem. He began by saying there was nothing fresh from the opposition. Then he, himself, proceeded to reiterate the old catalogue of pathetic alibis in an attempt to explain why the government has done nothing about unemployment. When the minister was telling the House all the things he has told us before, about why the government could not do anything to fight

unemployment, it was like listening to a cracked record. His main comfort to those who are out of work was that conditions were much worse in 1959 and 1960. It should certainly make the unemployed feel better to know that ten years ago the people who were unemployed had it just as tough.

I am not going to get into the argument whether unemployment in 1960 was worse or better than it is today; I think that is totally irrelevant. Nevertheless, let me tell the Minister of Finance that in spite of his optimistic statement this afternoon, some of the best economists in this country are now predicting that the unemployment figure this winter will peak in February at 740,000. This does not take account of the 100,000 who are taking manpower training but are also unemployed. Nor does it take account of those who have dropped out of the labour force.

• (4:40 p.m.)

Then, the Minister of Labour fell back, as did the Minister of Finance this afternoon, on the old defence that governments always adopt. He talked about the psychological effects of the gloom and doom that are being created by the opposition. He stated that any investors sitting in the gallery listening to the speeches of opposition members would certainly not be interested in investing in this country. This, of course, is the line taken by the Secretary of State for External Affairs (Mr. Sharp).

According to the *Globe and Mail* for Saturday, January 16, the Acting Prime Minister criticized the labour minister of Quebec, Mr. Jean Cournoyer, because the latter had said that unemployment would undoubtedly cause further outbreaks of violence. According to the press, the minister said:

> This kind of talk is not going to encourage the establishment of new industries. There has been some loss of confidence in Quebec since the FLQ trouble—

Does the government think that the people of Quebec are children? Does it think that investors are simpletons? Does it think that investors and business tycoons are not as aware of the unemployment statistics as anybody else? Is the government asking all of us to enter into a conspiracy of silence and not tell anybody that unemployment in Canada is the highest in the western world? Are we supposed to keep quiet about unemployment? Does the government think we will create public confidence by putting our heads in a hole and hoping that the unemployment problem will go away?

The Minister of Labour talked about foreign investors being frightened away. Does the minister think that foreign investors do not read the reports of OECD which indicate the degree of unemployment in Canada? I say that this is a specious type of appeal. Instead of trying to sweep the problem of unemployment under the rug, the government ought to be going to the people of Canada today and admitting: "We goofed. We started out to fight inflation and we have created something that is much worse. Like Frankenstein, we have created a monster that we cannot control. But we are now prepared to try to remedy the situation, and we ask your co-operation". Instead of that, we have had nothing but pathetic alibis. Finally, the Minister of Labour tells us that it takes courage to create temporary unemployment intentionally. Perhaps it does take courage, but it also takes a good deal of stupidity to create unemployment unless at the same time you have created the necessary programs to take care of the unemployed and to provide other jobs for those affected.

The Minister of Finance made the statement today, for which we had all been waiting. But it is not going to provide any consolation for those men and women walking the streets of this country in search of work. It will provide no comfort for the old age pensioners and veterans who are trying to eke out an existence on an amount which the government admits is totally inadequate. It will provide no encouragement whatever for the provincial and municipal governments that are now burdened with a great load of welfare payments which they cannot meet. Problems that are not of their making are now being dumped on their doorstep.

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member, but I do so to advise him that his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there unanimous consent that the hon. member continue?

Some hon. Members: Agreed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I thank the House for its long suffering patience and I will draw my remarks to a conclusion very quickly.

The minister took refuge in the fact that the high rate of unemployment is the result of winter conditions. Everybody in Canada knows that it is much more difficult to provide jobs in the winter than it is at other seasons of the year. But let me point out that the unemployment figures for December 1970 are higher by 155,000 than the December 1969 figures. And working conditions in December of one year are much the same as working conditions in December of any other year. The Minister of Finance also trotted out the old bogeyman when he said: "If we carried out some of the programs that the opposition has been suggesting, where would we get the money?" This statement is really not worthy of a Minister of Finance who lives in a period when the Keynesian philosophy and techniques are so well known. The fact is that unemployment and the lack of a full utilization of our productive capacity is costing this country $100 million a week, or over $5 billion a year. If the government has to deficit finance to get the economy rolling again, then it will get this money back many times over by creating full employment and promoting economic growth.

• (4:50 p.m.)

I just want to close by saying that unemployment is a human tragedy. It is a human tragedy because of the

suffering and hardship it imposes on those who are unemployed and on the families who depend upon them for maintenance. It involves a loss of self respect, a loss of human dignity and eventually a loss of hope, and that is the most serious thing of all. As long as people have some hope that conditions will be better, they can hang on. Once they have lost hope, they become the material out of which social unrest is created.

A man who once sat in this House and for whom I have great respect, J. S. Woodsworth, often used to quote Edwin Markham; the long, long patience of the plundered poor. I think this government should be warned that there is a limit to the patience of the plundered poor and that the people will not forever be made the victims of the government's economic errors, of its arrogance and its indifference. I hope if this debate has done nothing else it will have shaken the government out of its lethargy, and within the next few days we will see it bring down some measure which will at least partly alleviate the suffering which it has brought upon the people of Canada.

[*Translation*]

Mr. Léopold Corriveau (Frontenac): Mr. Speaker, Canadians are now faced with a choice between a brilliant economic future and poverty, namely a choice between priorities and means to fight inflation.

How will they ever come out of this cluster of needs and aspirations?

Mr. Speaker, this is the question I would like to submit to the House. I would not want to be taxed with parochialism but since I am relatively a newcomer here, I would rather deal with matters I am closely concerned with because they condition the life of the whole community in my constituency of Frontenac.

As I mentioned earlier, there is presently a confused cluster of aspirations and needs which are merely impossible to implement or to satisfy completely and simultaneously because of the limited financial resources of the government.

In its first report published in 1965 the Economic Council of Canada set its goal very clearly, namely a maximum annual price increase of 2 per cent and a maximum unemployment rate of 2 per cent also.

It would be ludicrous to remind hon. members that these two objectives have never been fulfilled. This may be the reason why this agency gives such importance to the fight against poverty in its last report. Would this tend to prove that the Canadian economy did not operate as expected?

The Canadian government, being aware of this situation, has enacted legislation creating the Department of Economic Regional Expansion, which has already produced tangible results across the country, and my area is no exception. Indeed, grants of the order of $715,810 to seven industries have helped create 482 jobs. At the present time, several other projects are under way and should straighten out the situation, economically and socially.

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

Evidently, we have new goals to reach, but to succeed we must see what the reality is, according to some indicators.

On October 1, 1969, Quebec's population stood at 6,002,000 inhabitants, that is 28.3 per cent of Canada's population.

In 1961, Quebec included 28.8 per cent of the country's population, as compared to 28.9 per cent in 1941. Therefore, Quebec's population does not grow according to an ascending curve consistent with today's requirements.

In 1969, the gross provincial product, according to market prices, amounted to $19.88 billion, that it to 25.4 per cent of the gross national product. In 1965, the corresponding figure was 25.9 per cent, and in 1961, 25.7 per cent. Also in this field, we can note a decreasing curve, lower than the population curve.

The unemployed are distributed over a large territory, made up of 1,600 municipalities. Paralysis, the reason of the ultra-conservatism prevailing among so many workers, is a serious problem, a source of trouble and of social unrest. Hon. members are looking for solutions; technocrats are preparing programs; economists are studying and analyzing; intermediary bodies are demanding and condemning; editors are talking and thinking. Mr. Speaker, the need is for people—for us and for those ready to accept the challenge—to find the clue to the riddle.

It is high time that we located the evil and made a diagnosis implying practical solutions. Everybody can contribute part of the solution through a humane approach to the problem.

Mr. Speaker, knowing our situation, we are now more determined than ever to take the necessary corrective steps and turn our liabilities into assets. The Canada of tomorrow will be as we shall build it, starting in 1971, since we are able to conceive our future society. All the issues I have raised become determining factors.

In fact, anyone listing the dangers to be fought, anyone examining the conditions required for our economical and social development, anyone looking at the experience gained by other countries to find a policy that would fit Canada will understand that our industrial development has top priority since it means employment and productivity. To this end, we have understood we should increase our production so as to reach not only our domestic market but also the world markets.

Although our industrial structure is weak and our production ill-oriented, we sell our surplus to certain sectors. For example, Quebec is producing 64 per cent of clothing, 57 per cent of textiles, 57 per cent of hosiery, 54 per cent of tobacco, 46 per cent of leather and 37 per cent of furniture. We should be glad of such statistics. However, because of dumping of foreign products and our faulty marketing organization we find competition very hard and this implies quite low salaries which do not correspond to the requirements of our consumption society.

For instance, in the footwear industry, the Minister of Regional Economic Expansion has initiated the creation

of a sales agency known as Faber which should enable our factories to sell more easily their present production while increasing it by finding new customers.

In that field as in many others, our Quebec industries are mostly primary and traditional. Our production surpluses are often subsidized. One needs only to look at the agricultural sector for instance to see that milk production is being subsidized while by-products like cheese are imported.

A good number of farmers in my riding are engaged in dairy production. Many of them dread the report of the federal task force on agriculture, suggesting the phasing out of subsidies for industrial milk production before 1976. I am sure that to a great extent the problem related to the sale of that product could be solved with the co-operation of our universities, by stimulating research at the marketing level and the discovery of new by-products. Provided there would be co-operation between researchers and producers, who seem to establish voluntary quotas on their production, and with the assistance of their associations such as the C.F.U., we could together find a fair solution for everyone.

• (5:00 p.m.)

We recognize that would call for new outlooks and new methods of production. We should assume also that producers presently engaged in that field will inevitably have to head for some other economic sectors. That is why I consider the agricultural problem as the that of all of us.

The farmer produces. The city dweller buys and consumes those products. A dialogue leading to understanding between individuals would enable the farmer to get a fair price for the outcome of his labour, which would bring him closer to the industrial worker. Indirectly, the consumer would protect himself against abusive increases in the price of food products. The strengthening of the industrial structure would permit to absorb labour surpluses from the farm sector.

Efforts are being made already in the Manpower Centres. Indeed, courses are being provided to upgrade the schooling of all workers, thus enabling them to adjust to the world of technology. Apart from technology, another move is under way which will gather momentum, so as to group industries together, in order to make them more competitive in the face of giant American concerns.

In this regard, competition from foreign products must be analyzed, before launching into production. The cost of manpower and its training affects the decision to specialize our production. However, it is mainly our determination which will affect our capacity to conquer the world markets and to join the ranks of post-industrial countries.

Our region is already playing a more important part in the conquest of world markets. The greater part of the production of our asbestos mines is sold outside the country, because the Canadian consumption represents 70,000 tons, that is 5 per cent of the total production. The balance is exported to 75 countries. Canadian asbestos exports have increased by 72 per cent during the last decade. The demand on the world market seems excellent for the next ten years. In fact, this helps provide some stability for the 3,000 workers engaged in this field, who now earn an average weekly salary of $133.75. Moreover, in view of the changes which will probably be made in the white paper on taxation, increased investments in the mining sector are to be expected.

In the past few years, thanks to the sustained efforts of some leaders in this area, we were successful in innovating in the field of secondary industry. Indeed, the manufacturing of snowmobiles, camping equipment, sports clothing, domestic products enables us to face the future with much greater hope. The sale of our asbestos and of our snowmobiles on world markets contributes to improve Canada's trade balance. Therefore, thanks to the investments made by the Department of Regional Economic Expansion with a view to improving and modernizing the harbour facilities in Quebec City, our shipments will make those investments profitable.

In 1969, the shipments of asbestos from Quebec harbour amounted to 235,284 tons, or 9.6 per cent of the total shipments. Re-organizing the CN and CP rail networks would bring about a decrease in rates, and improvements in the services which would open a door to the world.

Apart from shipping which will resume in a couple of months, we will, thanks to the co-operation of the federal Department of Transport, be able to use an airport which will have a favourable influence on the development of the whole of our area. Far from avoiding the challenge, we meet it resolutely, abiding by modern development standards which will result in social progress for us through economic growth.

We must be bold and resort to a rational utilization of the knowledge gained and also to a rational manpower development policy in terms of new requirements and the development of vocational training. According to this resolutely progressive philosophy, the curricula of our general and vocational education institutions are designed to enable the students to master new techniques better and, through automation, to adjust constantly to industrial progress.

At the College d'enseignement général et professionnel in my area, we have a mining techniques department which offers students from every part of the province courses on new mining techniques. Moreover, these students benefit from the very important advantage of practice through the co-operation of our mining companies. Aside from training future citizens, academic institutions must also develop a creative spirit in the student. Our destiny will depend on our qualities of ingeniousness, initiative and constructive imagination.

In our competitive system, we appraise an individual's worth not only by his attitude and his performance, but also by the diplomas he can produce. And yet, one prerequisite to productivity in a technological society is the optimum utilization of human resources. Let us think of all these men and women whose experience of life and of the working world, as well as their cultural background,

if they could be translated into figures or percentages, would be worth many degrees. We can no longer afford to deprive ourselves of the intellectual and economic capabilities of this multitude of adults who are unable to attend the regular courses which would sanction their actual knowledge. We must use the talents and the potentialities of our adults in order to check "intellectual capitalism". Our youth realizes that the object of studies is not only education, but also teaching how to learn, teaching methodology.

Since money is the motor of economy, savings should be channelled and humanized through being used to foster economic and social recovery. We no longer believe capitalist philanthropists and expect them to alleviate poverty. Besides, capitalists see their revenues being heavily saddled with taxes of all kinds so they too must humanize. Our joint commitment is assuredly the best way to clear the air. Its most meaningful result will be economic recovery.

Now that we are collectively aware of what we want to become, all Canadians, whether they are federalists or separatists will have to achieve the future I have just outlined.

Mr. Speaker, let us hope that all will want to contribute to prosperity, which is an essential factor for the creation of a just society.

[*English*]

Mr. John Lundrigan (Gander-Twillingate): I would first like to congratulate the hon. gentleman who just spoke. Certain of the ideas which he put forward in his maiden speech were very acceptable, and I am sure they will be well received in his riding and in his province.

A few minutes ago we had a rather unusual experience in the House of Commons during a debate on what is certainly the most critical and chronic problem facing the Canadian nation at present when the Minister of Finance (Mr. Benson), made a speech in order to fill in 30 or 40 minutes for his party, rather than accepting the challenge of every Canadian, and certainly of the 538,000 unemployed, that the government present some positive or encouraging statement to try to offset the serious psychological depression as well as the actual depression in Canada at present. Five hundred and thirty eight thousand people are waiting at the proverbial door of the government for the minister to make a statement which would give them a little encouragement. A tremendous number of people in the business community of Canada were anticipating a statement which would be positive, encouraging, rational, sensible, and not arrogant. Mr. Speaker, we have had a bitter disappointment. The Minister of Finance indicated that his government accepts the unemployment problem in Canada, that unemployment always exists in the winter, and that it is nothing new. It existed in the thirties, and even existed in the sixties.

• (5:10 p.m.)

We also heard about the fact that the government recognized the problem last March, and the minister went on to say that the government started to do something about it in December, 1970. I believe it was the mayor of Edmonton, Mayor Dent, who summed up the feelings of all Canadians when he said it was unrealistic for any government to expect that announcing a loan fund pittance of $150 million in December, 1970, with the proviso that work under it start immediately, would have an effect on an unemployment problem which is so vast now that in excess of half a million Canadians are seeking employment.

The Minister of Finance went on to point out in great detail that he did not agree with the position of the Leader of the Opposition (Mr. Stanfield). He ridiculed our leader for lining up with the 3,000 to 5,000 bread seekers in Vancouver who assemble on the welfare lines twice a month. He ridiculed the fact that the Leader of the Opposition visited the soup kitchens in Vancouver, attended the unemployment offices in Winnipeg, and tried to console the 17 per cent unemployed in Kelowna. Today, Mr. Speaker, our leader is visiting Montreal which was the highest rate of unemployment among young Canadians of any part of Canada. The Minister of Finance was also going to advise the Leader of the Opposition on the proposals he could offer to eastern Canadians when he swings down that way in the coming days. He ridiculed our leader's proposal for a reduction in taxation. At the end of all these comments, he put an exclamation mark and a full stop, but left a question mark in the minds of all Canadians with regard to his proposals for alleviating the serious trend toward a critical unemployment problem for the rest of the year.

The minister talked about the fact that the government could continue to keep the screws on the economy in order to tighten it up. Our leader referred to this as a mechanistic approach to economic development. The minister said that things will get better by and by. Mr. Speaker, it would not be as tragic if that kind of attitude did not pervade the whole cabinet, and perhaps the whole of the Liberal party. We can tolerate one minister of the Crown having that kind of attitude. We can pass it off as a political move on his part, but having heard the Minister of Labour (Mr. Mackasey) yesterday, and having listened to the Prime Minister (Mr. Trudeau) during the last couple of years, one has to wonder whether this is not a really serious, calculated plan. Perhaps it could be described as election economics. I do not know if that is included in the new economic theories or not, but this is what one must try to determine.

I sat in the House of Commons all day yesterday, Mr. Speaker. Seriously I wanted to hear the Minister of Labour speak. In the past, he appeared to be a man with a big heart and soul, and some conscience. Then yesterday he talked about the courageous creation of unemployment in his own province of Quebec, and bragged about the fact that governments in the western world will have to have a great deal of courage in future in order to undertake the creation of unemployment in view of the need to automate and rationalize certain industries. That statement of the minister's is reported on page 2507 of *Hansard*. I hope each Canadian gets a copy of *Hansard* and reads it.

The Prime Minister has also been talking about the need to create unemployment. We have been ruled out of order when we asked questions on this statement. I am not questioning the ruling of Mr. Speaker but apparently it is difficult, even for Mr. Speaker, to accept the fact that the Prime Minister has bragged about the need to create unemployment in this country. On a CTV W-5 program back on June 28, 1970, the Prime Minister said that they were going to continue to create unemployment, that unemployment was necessary, and the Canadian people could either like it or lump it. I could not believe it, Mr. Speaker, when the Prime Minister said, "If you don't like my approach you can lump it. That is your choice. We are going to go ahead with our policies to kill inflation." This statement seems to imply that inflation is tucked away in one corner of the economy, and unemployment is to be used as a weapon to kill it.

Last evening on the national television network the Minister of Labour referred to the fact that in the winter of 1971 we were going to continue to have unemployment, that it was not new, so why should we worry about it? Why should we get all upset about the unemployment problem this year? For comparison, he used the figures for the 1958-62 period when a Conservative government was in power. As a Canadian who has not lived as long as the Minister of Labour or the Minister of Finance I tell you, Mr. Speaker, that I am not too concerned about what unemployment was like back in 1962, or what it was like back in 1932, 1933 and 1934. The fact is that the 538,000 Canadians who are unemployed, plus 100,000 who are in trade and vocational schools, plus perhaps another 100,000 who have gone out of the labour market, plus many other people who will never find their way into the statistics—and it must be remembered that these statistics are really a guesstimation of the seriousness of unemployment—are little concerned about conditions as they existed a decade ago. They are faced with a bleak, distressing problem in 1970-71.

As was mentioned by the leader of the New Democratic Party in this debate, the Minister of Labour said we need not worry because we have the dole in 1971 and we did not have the dole in 1960. That is the most disgraceful statement I have ever heard in the House of Commons from a member of the Privy Council. This afternoon the Minister of Finance is probably appearing before the television cameras in the Commonwealth Room. Perhaps he is still there. As a matter of fact, I hope he will be there for the next six or seven months, because if he stays there we may be able to do something about this problem. But, Mr. Speaker, this afternoon he was beaming and smiling as if he were attending a garden party, when in fact we are having a funeral in Canada. There he was, smoking his pipe, and telling the 538,000 unemployed, "Yes, we have a problem all right but it will go away one of these days."

The Minister of Finance, in his usual tricky way, like his Prime Ministerial friend, uses statistics to great advantage to minimize the seriousness of the problem.

An hon. Member: You mean cold facts.

Mr. Lundrigan: An hon. member over in the corner refers to cold facts. I hope he gets on his feet and tells us about unemployment in his region of Canada. But, Mr. Speaker, we have members in this party who will start talking about unemployment in their regions. I will give you the facts now.

The Minister of Finance talks about seasonally adjusted figures every time the seasonally adjusted figures are convenient for him to use. I know that there are very few Canadians, including Members of Parliament, who are conversant with the seasonally adjusted figures. They are very complex statistics and very useful statistics, which have been used for the last 30 years, but if you start comparing various months you can create a tremendously false impression. For example, Mr. Speaker, the Minister of Finance said that we have had a decline in unemployment since September because in September the seasonally adjusted unemployment figure was 6.9 per cent; in October it was 6.6 per cent; in November it was 6.5 per cent and, speaking quietly, he said it was 6.6 per cent in December. But what he did not point out was that if we go back to June, 1970, we had 6.6 per cent unemployment, seasonally adjusted, in that month.

Does that mean that there was the same amount of unemployment in June, 1970, as there was in December 1970? That is the impression the minister was trying to create. Why doesn't the minister go back to 1965 and tell Canadians that during December that year we had 3.5 per cent unemployment, seasonally adjusted; that we had 3.6 per cent in December, 1966; 4.7 per cent in December, 1967; 4.8 per cent in December 1968; 4.8 per cent in December, 1969; and 6.6 per cent in December, 1970? That is a comparison the minister did not place before the people of Canada when he spoke in the House of Commons. But, we are not worried about these seasonally adjusted figures. As the hon. member for Malpeque (Mr. MacLean) pointed out, it is little consolation to an unemployed Canadian whether he is seasonally adjusted or an actual unemployed unit if he has to go on the dole to carry his family through the winter months.

• (5:20 p.m.)

During the month of December we had 320,000 people over the age of 25 unemployed, compared with 231,000 during the same month last year. In the under 25 age group we had 218,000 unemployed, as compared with 152,000 previously. Can anyone even begin to imagine the effect on 538,000 Canadians, plus the 200,000 more Canadians who do not show up in these unemployment statistics? Can anyone imagine what the effect has been on their outlook? Can anyone imagine the psychological depression that comes from living in a community in which there is no hope for the future and the outlook for 1971 is bleak. The Prime Minister has talked about the just society for Canadians. The Prime Minister, who is at the Singapore conference, may talk about the just society but many Canadians are wondering just when the just society will be born in Canada.

Yesterday the Minister of Labour said that the Leader of the Opposition was creating a tremendous psychologi-

cal depression in this nation. I know the Leader of the Opposition is competent. I know he is a man of great integrity and capability, but I did not realize he had such all pervasive powers as to instil in all Canadians the psychological depression which is now sweeping the country. Yes, the Minister of Labour is absolutely correct about psychological depression. There never has been a period, since I have been a Canadian, in which there has been less incentive for people to engage in certain forms of economic endeavour. The Leader of the Opposition has not created this tremendous psychological depression. The Minister of Labour did not mention that there has been a severe increase in taxes since 1968. I am sure that had no effect on the psychological depression of Canadians—oh, no. The middle income Canadian is terrified about his future; he does not even want to look at his pay cheque any longer. I am talking about people earning between $10,000 and $20,000 a year, who comprise a healthy chunk of the Canadian population. They are the people with incentive, who are developers and promoters on a private, individual level.

The taxes of these people have been increased, and are to be further increased, because family allowances for those earning more than $10,000 are to be eliminated. This represents a substantial loss to anyone with five or six children. To such a man, the family allowance means an income of about $500 a year. Actually, it represents an earned income, if you consider the tax structure, of about $1,000 a year. That will be the extent of his loss, and that will be the extent by which his taxes are to be increased.

Again the Minister of Labour never mentioned the white paper on tax reform. We shall never know what effect that white paper has had as a disincentive to Canadians, especially those who make up the business community. We shall never know what the effect was, not only on those in the business community but on small investors who might have invested moderately in the stock market. Again, what about people who wanted to own their own home and hoped to be able to acquire an equity in a modest home and later to buy a better home? The white paper has acted as a disincentive to such people. It has had a detrimental psychological effect on Canadians because it seeks to revolutionize our social system through the taxation structure.

Housing starts have been down. The housebuilding industry has had an important effect on our economy. I do not know the correct term to use, but, I think it can be said that that industry has an important multiplier effect on the economy. Housebuilding is a catalyst for other development.

Let us for a moment look at other disincentives that face Canadians. I am not an economist; I am just an average Canadian who has tried to size up what has been going on in Canada. Unemployment has created tremendous disincentives in the economy. I wish to refer to statistics which I have not heard quoted in the House so far, and I do not mind taking a minute to do so. For example, in December, 1970, there were 124,000 people who were unemployed for less than one month. I will not talk about people who were temporarily unemployed. If one examines these statistics one will find, I think, that 43,000 were temporarily unemployed. They are not classified among the unemployed. They know that they will be recalled to work in about a week or a month and that their condition will improve. Let us assume that the 124,000 unemployed persons would each have earned $500 in that month. Their loss of income, therefore, represents a loss to the economy of $72 million.

In December 1970, 203,000 people were unemployed for between one and three months, as compared with 149,000 people who were unemployed in December 1969. If those people had each made $1,000 during that period, we can see that there has been a direct loss to the economy of about $203 million. In that month of December, 1970, 84,000 Canadians, as compared with 49,000 in December, 1969, were unemployed for between four and six months. If each of them had earned $1,500 during that period, and I do not think we are being very generous with them, we can see that the economy has lost $126 million. In that same month, December 1970, there were also 84,000 Canadians who had been unemployed for more than six months. Assuming that those Canadians would have earned on the average $3,000 each, one can see that their loss represents a loss of $252 million to the economy. About 46,000 Canadians were unemployed for that length of time in the previous year. These losses to the economy represent a massive disincentive. We are looking at a loss of about half a billion dollars that is to be attributed to the losses of these unemployed groups. I know that these figures can be picked apart, argued about, and criticized.

We are now talking about 538,000 unemployed people. Mr. Speaker, let us try to calculate how much those 538,000 people would have lost by being unemployed for three months, and we can calculate the extent of the disincentive in our economy. We are not talking only about the effect of unemployment on these people, and on the productive aspect of their labour. We are not talking only about the fact that there has been a serious impairment of Canadian productivity, and that we have to dish out large chunks of cash to help the unemployed to survive. We are not only talking about that.

The Minister of Finance, Mr. Speaker, has taken great pride in picking apart our proposals. The Leader of the New Democratic Party has supported us right down the line, almost to a "T". He supports the positions we have taken. We have recommended immediate changes in the unemployment insurance regulations in order to modify the periods and conditions to qualify. We have recommended the establishment of a ministry that would deal with the unemployed. We have recommended the lowering of taxes and the elimination of the 3 per cent surcharge. The retention of the surcharge is tantamount to a tax increase. We have recommended the elimination of the 11 per cent sales tax on building materials and a reduction in the levels of personal income tax. The Minister of Finance said today that if the government were to remove that tax and listen to our other proposals the government would lose about $1 billion in revenue and that this loss would be felt by the provinces. I do not know whom he is trying to fool; he is much more bril-

liant than that. Is he trying to mislead the House and the people?

We have made good proposals which I submit are sound and rational. We are not saying that there should necessarily be an across the board reduction of taxes for all Canadians. We are offering a number of proposals for the government's consideration. Removing the 11 per cent sales tax on building materials alone would mean an impetus to the Canadian economy of about $200 million. Removing the 3 per cent surtax would add about $150 million to the economy. Also, there are at least five or six ways by which personal income tax could be reduced. Such a reduction would have a beneficial effect on the economy. Our proposals, depending on which ones and how many are adopted, would mean, an injection into the Canadian economy of between $200 million and $1 billion or more. They should not be ignored.

In the present circumstances we cannot, because of the time factor, develop our suggestions in any great detail. Nevertheless, we feel that our suggestions are worthwhile. If the minister is not prepared to accept the proposals of the opposition, perhaps he will be prepared to outline to the Canadian people what the government proposes to do so the Canadian people can judge how effective they will be. If the minister is not willing at present to accept the proposals of the opposition, then we challenge him to come forward now with concrete proposals. Let him advance them to the House of Commons and to the Canadian people. Let us assess their value in terms of their potential for reducing unemployment.

• (5:30 p.m.)

In summing up, in my opinion, Mr. Speaker, there is one basic need over and above everything else which is needed in this country at the present time. This need has little to do with dollars and cents, building material tax, surtax or a reduction of personal income tax. I contend that the Canadian people believe the biggest need in our country today is a change in the attitude of this government. This is more important than anything else. Even cabinet secrecy is not able to hide the fact that the government has a cold, calculated and planned approach to the economy. This message is coming through from the Minister of Finance and the Minister of Labour. It has been preached by the Prime Minister (Mr. Trudeau) throughout the years. The government is not prepared to deviate for one moment.

None of the ministers, including the Minister of Finance, has travelled around the country recently. They have not visited the bread lines. They have seen the effects on the unemployed. They are not aware of them. I cannot think of a more adequate phrase to describe the attitude of the government than that used by the Leader of the Opposition. He said the government has a mechanistic approach to the economy. This is sad. The government is not concerned about the effect this is having upon 538,000 Canadians.

I find it hard to accept the attitude of the Minister of Finance. Many Canadians, including some of my constituents, cannot believe that he has adopted this attitude. The minister appeared on television with his pipe in his mouth and stated "I would like to tell the people of Canada that 538,000 people are unemployed. There is no problem. The government is considering it. We recognized the problem last March. We are going to loan $150 million in December." This is an unbelievable attitude.

The Leader of the Opposition said something yesterday which struck home to every member of this House and to many people outside it. He talked about the bitterness reflected in the attitude of between 3,000 and 5,000 people in the bread lines of Vancouver. This bitterness was not necessarily directed toward the Prime Minister or the government. The bitterness was toward the institutions of government and Parliament—for their inability to handle the unemployment problem in Canada. These people have given up hope; there is a tremendous amount of despair. This holds true for every province. It is even permeating the attitude of many people in the province which I consider to be the most peaceful in Canada.

A couple of years ago the Canadian people purchased what I considered to be a pig in a poke. I suppose we all made that mistake. We must accept a democratic decision. At that time Canadians were promised a just society which was to be on the platters of all Canadians for Christmas that year. Since that time there has been an apprehended insurrection in the province of Quebec. Canadians felt that the government at least took action in bringing in the War Measures Act. The fact is that the apprehended insurrection occurred during the reign of this Prime Minister. Last week Mr. Cournoyer, the Quebec Minister of Labour, stated that there is an apprehended revolution in that province. I do not know the gentleman. He must be reasonable and responsible, because he was appointed to the cabinet of that province by the Premier.

In my opinion we have had an increase in regional disparity and in taxes. I contend that also we have had an increase in separatism. There has certainly been an increase in the length of the bread line. The unemployment rate is now 6.6 per cent. It is almost one per cent higher than in the month of November. I contend that this is a planned effort on the part of the government. One minister of the Crown stated last week that we will probably have to tolerate a rate of 10 per cent unemployment in Canada.

Some hon. Members: Shame!

Mr. Lundrigan: The Minister of Finance said, "We accept that." The Minister of Labour asked what was different about unemployment in 1969, 1970 and 1971. The Prime Minister stated the government will create unemployment regardless of circumstances or results. Another minister, a real heavyweight, indicated we might have to tolerate a 10 per cent rate of unemployment in this country. The Prime Minister is misjudging the mood of the Canadian people. He is relying on experience gained while visiting some of the eastern countries in the last couple of decades. I think it is possible to plan an

approach to the economy of a grossly underdeveloped nation and have a very authoritarian approach to the economy, politically and otherwise. However, I do not think the Canadian people will accept this kind of solution.

Recently, it has been widely stated that the Prime Minister is using a system of election economics. This is probably closer to the truth than anything I have heard in recent weeks. We in this party have offered suggestions. From what I have read and heard, these suggestions are widely accepted by the economists of this nation and by many politicians. We challenge the government to accept our suggestions or, in the few hours remaining, to offer proposals which will at least encourage the Canadian people and will offset the great psychological depression and real problems of unemployment in Canada today.

Mr. Steven Otto (York East): Mr. Speaker, in this debate I had hoped to hear concrete suggestions with regard to the problem of unemployment. It is obviously a serious problem. This problem affects not only the 538,000 who are unemployed but an additional 400,000 or 500,000 Canadians who are apprehensive about losing their jobs. I had hoped that politics would not play the major part which they have played to date.

Some hon. Members: Hear, hear!

Mr. Otto: I watched the Leader of the Opposition (Mr. Stanfield) on television when he was interviewed in Vancouver. I was unfavourably struck by the vicious treatment of those who attacked him, as well as by their frustration. I do not think he deserved it; I believe he was sincerely trying to get at their problem. That attack was one against every member of this House. We have lost face. We have lost all meaning to the people who are unemployed. They do not blame us. They say there is no sense blaming the members of the House of Commons, because they have nothing to do with it. They say we are meaningless. These people did not even attack the government.

Between 1959 and 1962, particularly in 1962, I received a great deal of correspondence and many telephone calls from those who were unemployed. Today other people are receiving this correspondence and these telephone calls. I refer to provincial politicians, local politicians and businessmen. Hon. members must examine themselves. How many hon. members feel they have a real entente with the people? The people of this country, especially the unemployed, have demonstrated their attitude toward the Leader of the Opposition and this House. We probably deserve it.

I had hoped to hear many new ideas in this debate. Instead, the government has been condemned for what it has done, even though it has admitted it may have made a slight mistake. What do opposition members want the government to do? Do they want the government to kneel and flagellate themselves and say, "*Mea culpa, mea culpa*"? That will not solve the problem of unemployment.

[Mr. Lundrigan.]

• (5:40 p.m.)

I think the government has quite logically answered the suggestion made by members of the opposition about tax cuts. Tax cuts are of no concern to the unemployed who will be paying no tax anyway, and the person who has work is so happy that he does not mind the tax. And where would the government get the money to finance these programs, without taxes? I believe the answer the minister gave deserves some logical comment from the opposition. There have been two speakers since then, but we have heard nothing constructive.

An hon. Member: The minister does not want to listen.

Mr. Otto: He does. He would be happy to hear good suggestions. He has answered the proposal concerning the tax reduction in a logical way, because this is a problem to be faced now, not later.

Then there is the question of the 11 per cent building tax. I am glad that members opposite so anxiously want this tax removed. I have been in the housing business for about 20 years and I can tell them that the removal of the sales tax will not cause land prices to go down at all.

An hon. Member: So what?

Mr. Otto: The tax does not apply to the land. The cost of land is half the cost of housing. More starts are being made this year than in previous years. I am not saying the housing picture is perfect; I have had some tough things to say to the minister about our housing programs. But I do not think removal of the sales tax would put more people immediately to work.

As I indicated, the debate has been lacking in constructive proposals. We have been hearing nothing but political strife back and forth, instead of ideas for immediate and long-term measures. We are wasting our time, and it is no wonder the people of this country, employed and unemployed, are dissatisfied with us and give us no credence whatsoever. We can examine these things until doomsday, but until we come up with an idea of what the facts really are we shall not be able to deal with them effectively.

Mr. Lambert (Bellechasse): Vous vous reposez.

Mr. Otto: Ah, oui. Attendez une minute. Écoutez. The real problem is still one of inflation. The government has explained that if we allow inflation to continue, it will price us out of the export markets in which we are so heavily engaged. It is as simple as that. When we do so, we are no longer employed. The Prime Minister (Mr. Trudeau) unfortunately made a remark to the effect that if we do not agree with restrictive policies, we are for inflation. That is not true. I agree with the government that the ultimate problem is inflation. But inflation was not caused because too much money was chasing too few goods: it was caused because we are not very productive in Canada.

Among all the industrialized nations in the world we stand ninth in productivity although we enjoy the second

highest standard of living. We are behind Greece, France and Spain. We are living high off the hog through the sale of our resources. We are mortgaging our resources to maintain a standard of living which we do not deserve. So the ultimate problem lies with our efficiency, our productivity. This is what we should be addressing ourselves to, not restrictive policies. But those are yesterday's potatoes and we shall not eat them again.

We have to examine the situation as it is now and decide what to do about it in the future. If we were to adopt some of the concepts advanced by hon. members opposite, we would be facing another cycle of inflation within ten months. If we return to the easy money idea, as has been proposed—tax cuts along with the costly support programs the government is already engaged in to create expansion in many areas—we shall be faced later with the responsibility of getting this money back. And where shall we find it? We shall have to get it from the taxpayers, who in turn will get it from the employers, in most cases, who in turn will charge higher prices to the public. Again, it is a vicious circle.

We ought to be extremely selective in our policy decisions and adjustment processes. This is not to say for a moment we should belittle the unemployment crisis. But we should remember that we still have to submit to an accounting in the future. One of the problems I believe we face is that regardless of what the government may have in mind, our financial institutions will not always go along with them. I have been studying this question for some time. There is a tendency to believe that because we have a responsible banking system there will be a reciprocal entente between the government and the banks; that the banks will consider government policy as part of a national policy. But this has not been the case. The Bank of Canada has reduced its interest rate very considerably, but I do not see any move by the banks and the financial institutions to put money out where it is needed, that is, in business. It is being put out in convertible loans at 18 per cent; it is being put out in bond issues across the border. I could give instances where a bank recommended an investment involving short-term money in the United States rather than one which would help build up an inventory for a company in Canada.

So we do not have a responsible banking system. I have regretfully come to the conclusion that the government ought to consider carefully the nationalization of our banking system. I hate to say this because I have always been opposed to the nationalization of any industry, but I believe our banking and financial institutions have been so irresponsible, so much out for their own ends, that we should carefully consider whether we should nationalize them.

Mr. Rondeau: Credit!

Mr. Otto: Well, I once voted with hon. gentlemen in that party when I voted for debt-free money.

Some hon. Members: Oh, oh!

Mr. Rondeau: You did not know about credit.

Mr. Otto: That is quite true. But in a serious vein, if hon. members opposite do not agree with nationalization of our financial institutions, perhaps the government should exercise a much stronger voice in their policies. Maybe we should hit their reserves. This would be a strong weapon. When the government has decided that certain policies should be followed or certain directions taken, it appears that the banks and other financial institutions have said: That may be good for some people, but as far as we are concerned we are part of a great international business, and if you do not lay down rules which we like we shall put our money elsewhere. We have to contend with this. Therefore, I do not think we can go very far without giving serious consideration to placing more severe restrictions or tighter controls upon our banking institutions.

• (5:50 p.m.)

The next problem, one that we are still facing, is labour. Labour problems have not disappeared merely because we have unemployment. We still have greater emphasis on labour problems than we had before. Hon. members will notice that during the last two weeks two companies have had to adopt ultimatum tactics—I think they have done so sincerely—because they are in a complete quandary as to what to do. These two firms have told their employees they must either stabilize their wage demands or the companies will close their plants and go out of business. This was not said for publicity reasons or for purposes of bargaining. I know the management of one of the companies, and this was a serious statement. So both labour and management have now been driven to the position where there is no longer room for negotiation; it becomes a question of ultimatum. Either the employees do this, or the company shuts up shop. Ultimatum tactics have never paid off and they never will.

I suggest the government seriously consider the whole complex question of devising a labour policy, because eventually, whether it be this year, next year or the year after, wage demands will have to be geared to productivity. I do not care which way you slice it, Mr. Speaker. This policy could be applied industry by industry, plant by plant, right across the nation. But eventually we must face the position that if labour wants a 6 per cent wage increase, it will have to show at least a 6 per cent increase in productivity on a per man-hour basis. If labour wants a 10 per cent increase in wages, then it will have to show a 10 per cent increase in productivity. Only in this way will we stabilize inflationary pressures.

If we do not adopt this policy, I predict that a year from now we will experience a 10 per cent inflationary cycle more severe than any we have had. Costs are still increasing. We speak of stabilizing the cost of living, but the fact is that many entrepreneurs and business ventures are selling off their goods and inventories at cost, even less than cost. When these inventories are replaced, they will be replaced at higher cost and the cost will have to be paid by the public. The over-all remedy, therefore, is not to have a political debate along these lines: We told you what was going to happen. You did a

bad job; you should not have done so and so. Hindsight is very easy.

Mr. Rondeau: The proof is there.

Mr. Otto: I agree with the hon. gentleman, but does that put people back to work?

Mr. Rondeau: No.

Mr. Otto: I am glad my hon. friend agrees.

Mr. Rondeau: You must have solutions.

Mr. Otto: I hope to see a continuation of this debate that reveals concrete policies outlining what could and should be done. If that is the case, I am sure the minister will consider all ideas. To say that the minister is not listening is just nonsense.

Let me just summarize what I have been trying to say. The final solution must be one of gearing production to the increase in the standard of living or, if you like, to increases in wages. We must also be very selective during the next four or five months in regard to how we ease credit or the money supply. If it is eased right across the board, then inflation is bound to follow. But we can still be selective and employ more and more people.

I think the minister was on the right track in his budget when he gave certain incentives to industry as a tax write-off for replacement of capital goods. I think at least he should have doubled those incentives. The government should spare no effort in inducing industry to replace its antiquated capital equipment, because Canada is a country with some of the most antiquated capital equipment in the world. It has been said that Canadian capital goods are older and less efficient than those in some of the new countries of Africa and Asia. It has also been said that if there is a concerted effort by our banking system and by government to induce industry by means of tax write-offs, by forgiveness grants, in matter of replacing capital equipment, we could increase productivity by approximately 28 per cent.

Mr. Rondeau: Fantastic!

Mr. Otto: Yes, it is a fantastic figure; I am glad my hon. friend agrees. I think this can be done. It would be selective in approach because it would still keep Canadian companies making new equipment and machines and constructing new plants. But in the long run it would be to our benefit because we would gain from the increase in productivity and inflationary pressures would not be nearly so severe. A great amount of money is being spent—though I think more should be spent—on the retraining program.

Mr. Rondeau: You will create more inflation.

Mr. Otto: No. My hon. friend does not understand, so let me explain it to him carefully, if he will listen. One out of seven Canadians needs retraining now, but they are hanging on because there is still an opening for their type of effort. The fact is that they should be retrained during the next two or three years. This is one direction in which we could use our retraining program money. A much larger share of the budget should be devoted to the retraining program to enable it to encompass more people. Then, over the course of a year or two years, we would get the benefit of their productive capacity.

This involves more than those who are now out of work; it involves those who are really unemployed even though they are still drawing wages. Many companies are keeping on key staff for reasons of seniority and other factors, but these people are really unemployed. They have not yet created a problem, though they will eventually because each company has a reserve. When the reserve is exhausted, these companies will have to tell these people that their talents or skills are no longer required, that the companies cannot afford to keep them on staff any longer. By placing a greater emphasis on retraining we will be able to find a solution to those inflationary pressures that are bound to break at a later date. In addition, we must break up the financial establishment by introducing new ideas, by having more control over the banks.

Mr. Rondeau: Who are these people?

Mr. Otto: I told hon. members who listened to me. Most of our banking and financial institutions are controlled by a very small number of people.

Mr. Rondeau: Is that a fact?

Mr. Otto: It is a fact. They are controlled by a small number of people who are extremely conservative and apprehensive.

Mr. Rondeau: How do you know that?

Mr. Otto: Because I know them. They are reactionary and will not accept new ideas unless they are hit over the head.

The Acting Speaker (Mr. Richard): Order. It being six o'clock, this House stands adjourned until eight o'clock this evening.

At six o'clock the House took recess.

The House resumed at 8 p.m.

Mr. Otto: Mr. Speaker, before the dinner hour I outlined some of the ideas I hoped to hear from members of the House, especially new ideas as to what might be done from now on. I said that I anticipated this debate would take the form of a presentation of ideas rather than of recriminations in respect of what has happened and an indication of who has been at fault. I also outlined some of the prime aspects of the financial crisis, inflation and unemployment in this nation.

In the next few minutes I should like to deal with the immediate problems facing those who are unemployed. The unemployed in this country fall into three groups.

There are those who have lost their jobs and are on unemployment insurance or welfare as a means of gaining an income. There are also those who are still working —that is a very important segment of the population— and being paid but their employment depends largely on the confidence their employers have in the future economy of this country. We must also consider the third group, which is comprised of young people who have just entered the labour force.

It is most important for this House, not just the government, to indicate that we in Canada have a great deal of confidence in this country in respect of the ensuing months and years. If the business community gets the idea that we in this House lack confidence, this feeling will prevail throughout industry and will induce our entrepreneurs and businessmen to restrict enterprise and curtail inventory build-up. As a result, the whole economic situation could become very critical. I suggest that in the next few months the government should enlarge its retraining program by including the many young people who have not been part of the labour force for three years or more. It is essential that we include as many people as we can in this program because their contribution to our economy will be of great benefit.

The government should reconsider instituting a special measure to indicate to our financial institutions that we mean business when we say they must encourage and finance business enterprise, particularly for the young people in Quebec but also those in the rest of Canada, who desire to enter this field. If these institutions fail to give an indication of their willingness to go along with government policy, more severe controls should be imposed. I encourage the government in the program it has outlined to provide employment for young people during the summer months, in pollution control and other fields in which they can become engaged. This is of prime importance.

The Minister of Finance (Mr. Benson) and the Prime Minister are exuding confidence in our business community. We should encourage this attitude. If we can convince our commercial and industrial communities that we are behind them and that we have confidence, I think businessmen will act accordingly. We must convince them that if it takes $2 billion, $3 billion or $4 billion we will put this might behind them even though things do not look rosy. I think then we will be well on the road to recovery. This is what the House should be doing, rather than recriminating about what has taken place up to now.

I commend the government for its thinking and its confidence. I emphasize that it does not matter very much what we say in this house, or whether we take political, partisan viewpoints; we will not be doing a service to Canada unless we get behind the government in this time of crisis by showing confidence in Canada and its people. If we do that, I am sure we will manage very well.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker—

Mr. Speaker: Order, is the member rising on a question of privilege or an a point of order?

Mr. Lambert (Bellechasse): Mr. Speaker, I merely wished to put a question to the hon. member—

Mr. Speaker: Order. The time allotted to the hon. member has expired and as several other members wish to speak before the end of the debate, I think that the House would like me now to recognize the hon. member for Moncton.

[*English*]

Mr. Charles H. Thomas (Moncton): Mr. Speaker, the most disturbing aspect of the budget presented to the House in December is the complete failure of the Minister of Finance (Mr. Benson) to recognize the real nature of this country's economic problems, his stubborn insistence that he and his advisers are right and everyone else is wrong and his refusal to admit that this country is now faced with the greatest economic crisis in its history, that is, mass unemployment brought on deliberately by employing woolly, nineteenth century, classic economic theories which are outdated and discredited by most economists. I wish to read from an editorial which appeared in the Montreal *Gazette* of January under the caption "Wrong way Benson". It reads in part as follows:

• (8:10 p.m.)

> —the government marches determinedly along the wrong route to recovery. What is wanted are tax reductions which, by restoring a measure of profitability to business, offer attractive incentives to new growth; tax reductions which, by leaving more of the individual's money in his pocket, give him the means to increase his spending.

The Minister of Finance this afternoon laughed off the opposition's suggestions for tax cuts by saying this would cost the treasury over $1 billion. I say to the Minister of Finance that if he would take some action to get the economy moving again and to produce full employment, perhaps he would recover most of the $1 billion about which he is worrying today. The editorial continues as follows:

> What is presented, instead, is a stubborn insistence that Ottawa knows best how to prime the pump—by spending tax money on public works which provide, at best, only temporary employment and that at the expense of more productive sources of employment.

The editorial goes on to point out that it is time the Minister of Finance and his advisers realized that this country has almost reached its capacity in regard to the amount of money the taxpayer can cough up for federal government expenditures which are doing nothing to increase the economic output of the country. The editorial concludes by saying

> Hopefully by spring, when, just possibly, Mr. Benson may be persuaded to do what he should have done in December—cut taxes.

This party has consistently proposed such a course of action. We have been pleading with the Minister of

Finance for almost a year to change the direction of government policy to implement selective tax cuts which would encourage the private sector of business and industry to expand, provide more growth and more jobs. But all these suggestions have been laughed off by the Minister of Finance and his colleague, the Minister of Labour (Mr. Mackasey). We have been told that we are spreading gloom and doom. We have been accused of doing a great disservice to the nation. We have been told our so-called gloomy prophesies will discourage businessmen from investing in this country.

Here again we have the arrogance of a government that has come to believe itself omnipotent and all-competent, that goes sailing blithely along on a course which, in their words, "must be right because we say it is right", a government which refuses to change its course even though most of the country's best business minds and best economists are condemning its policies as outdated and inadequate.

It was interesting to hear the Minister of Labour yesterday in his historic apology for government policies. He spent most of his speech talking about the 1950s and 1960s but had very little to say about the 1970s except to condemn the opposition and chastise us for spreading gloom among businessmen. They created the gloom which now they are unable to dispel. The Minister of Labour said that if he were a businessman sitting in the gallery today listening to the speech of the Leader of the Opposition (Mr. Stanfield) and of other speakers, he would ask what kind of country this is and would say to himself, "If they have no more confidence in our future than that displayed in their speeches, why should I invest my money in such a country?"

I think all of us have the responsibility to create the right psychological climate for investors to invest. I am glad that the Minister of Labour appreciates the importance of decisions by the private sector of the economy, even though his colleague the Minister of Finance will not recognize them. It is interesting to hear the Minister of Labour when he talks about the opposition spreading gloom among our businessmen. It is interesting to hear what some of these businessmen have been saying about the government's policy. Mr. G. Arnold Hart, the chairman of the Bank of Montreal, said in a recent interview:

> The most effective and least risky route to take toward expansion of the economy in present circumstances is tax reduction.

Many economists interviewed last weekend by the Toronto *Daily Star* urged the government to embark upon a system of tax cuts to combat unemployment. One of them, Professor Abraham Rotstein of the University of Toronto, called for a substantial cut in personal income tax. Charles Neapole, president of the Montreal stock exchange, said:

> Take the surcharge off; give some relief in the corporation income tax. Give people more confidence, give business more confidence, and they will be going back to work.

I have heard many people on this side of the House make that plea to the Minister of Finance many times in the past six months. John Meyer, financial writer for the Montreal *Gazette*, when referring to the widening credibility gap between government and business said the fact that business has no more faith in the government is because it does not know what this government intends to do. They have lost all confidence in government policies. Mr. Meyer said:

> Something of that confidence might have been restored by bold and imaginative tax reduction but, in Canada at least, that course was rejected in favour of more government spending.

Are these the mouthings of a futile opposition? These are statements from some of our best business leaders. Yet the Minister of Finance and the Minister of Labour laugh them all off. The minister said that this is just the opposition proposing cockeyed schemes that will cost the country a lot of money. There is not much to be gained now by deploring the situation, by pointing out what should have been done or by saying that the government could have combatted inflation, not by deliberately creating unemployment in the vain hope that it would keep wages down but, rather, by employing selective fiscal and monetary measures.

For example, when there was a serious housing shortage and mass unemployment in the construction industry, firm, strong action could have been taken to increase housing starts. This would have put the unemployed carpenters, labourers and all that sector of the business community which the construction industry affects, back to work and certainly it would not have contributed to inflation. But the government refused to accept the suggestions offered by the opposition and by business leaders. The Minister of Finance continued to bask in that false optimism so aptly portrayed in his repeated statements that all is well and that all that is needed is faith. I think the unemployed have pretty well lost all faith in the Minister of Finance.

Mr. Woolliams: So has everybody else in Canada.

Mr. Thomas (Moncton): True. Even in his budget he is carried away by his stubborn insistence that father knows best. He says, "Don't complain; you do not know what you are talking about". In his budget speech he bragged about employment rising in Canada and said that unemployment, on a seasonally adjusted basis, appears to be falling. Here we go again! The minister gets so caught up between seasonal and unseasonal, adjusted and unadjusted, that we cannot even get a true picture of the employment situation in the country.

We all know what has happened to his prophecy of December 3 that the situation was improving. We heard many times in the House yesterday and today about the 62,000 more unemployed as of mid-December, only a little more than a week after the minister made his optimistic forecast. We heard about the drop of over 100,000 in the number of employed. These figures have been mentioned over and over again and I hope the minister is now aware of them.

I will not dwell further on the national picture but I would like briefly to speak on the effect this government's policies have had on the outlying regions of Canada, those areas of slow growth to which the government, through its Minister of Regional Economic Expan-

sion (Mr. Marchand), has been paying lip service. He has referred to their great program of bringing these areas up to the Canadian standard. Let us see what has happened in these areas as a result of the government's policy of fighting inflation by throwing people out of work.

• (8:20 p.m.)

We have been worrying in this House about an unemployment rate of 6.5 per cent, but let us see what is happening in the Atlantic area. In the Moncton *Transcript* of January 14, an article on its front page is captioned, "16,000 Lose Jobs in Atlantic Provinces." It points out that unemployment in December went up to 54,000, compared with 42,000 in the preceding month. The seasonally adjusted rate, which is the rate the minister tell us to use, was 8.8 per cent, compared with the national average of 6.6 per cent. That is the figure for the Atlantic area as a whole. The article also reads as follows:

> The Atlantic unemployment rate for last December was exceeded in the nation only by Quebec where the rate was 8.4 per cent of the labour force.

That is an unadjusted rate. The sad part of all this is shown when we look at the size of the labour force which in the Atlantic area has also declined. Either people gave up looking for jobs or left the region and headed for other parts of Canada where they thought things might be better. The most shocking figure I wish to emphasize this evening is contained in the caption to another article on the front page of the newspaper, "18.8 Per Cent Jobless in Moncton Area." It reads in part:

> G. C. Robinson, acting manager of Canada Manpower in Moncton, reported today 18.8 per cent of the working force of Moncton and surrounding areas is unemployed.

Yet here we have the Minister of Finance telling us everything is fine and that although these people are out of jobs, they will get unemployment insurance, they will get Canada Pension Plan benefits, and all this and that. How can one tell this to people in an area where one in every five of the work force is unemployed? This is worse than anything I have experienced in my time, and it is probably worse than the hungry thirties.

In December, 1966, there were 3,279 people unemployed in the Moncton area, and by December, 1970, this figure had increased to 8,748, some 2½ times the 1966 level. How can we in the Atlantic area accept the bland assertions made by the government, through the Minister of Finance and the Minister of Regional Economic Expansion, that everything is fine, we should just be patient, the economy is on the upturn, we must not worry, and everything will be all right in the spring? Our worry is that by spring the unemployment figure in the Moncton area will be 25 per cent instead of 18.8 per cent. The situation probably will be worse because the next two months are usually the worst months of the year. These figures illustrate the emptiness of the government's policy in trying to control a national problem by over-all national fiscal and monetary policies. It fails to recognize that the country is made up of five distinct economic areas and that what is good for one area is not necessarily good for another.

As a leading economist has said, the burden of maintaining price stability seems to fall particularly heavily on the poor. A recent study carried out in the United States has concluded that while some of the poor may be seriously hurt by inflation, more of them are hurt by high unemployment. It has been said many times, Mr. Speaker, that the federal government is fighting inflation on the backs of the unemployed. I add that it appears willing to fight inflation on the backs of the slow growth areas of the country.

I appreciate the difficulties under which the Minister of Regional Economic Expansion is labouring. Here he is, starting out with a great policy for the economically depressed areas of the country, but every time he makes some move to create a few jobs in the Atlantic area, one of his colleagues gives him the back of his hand and takes action to lay off as many people as he has created new jobs for. It is no wonder that not long ago in this House he remarked plaintively that some of his policies will not work unless we can achieve a healthy national economy, and that there is no use pumping in money on a regional basis when the government is taking action that negates all his efforts.

The most recent illustration of what is happening in the Atlantic area is contained in the announcement by Air Canada that it will lay off 400 employees. Here again, this is a government organization, a Crown corporation, that has consistently shown a profit over the last four or five years. Its net profit, after taxes, in 1966 was just under $3 million, in 1967 it was $3½ million and it increased to over $8 million in 1968. Even in 1969, when its revenues were seriously reduced by strikes, the company showed a net profit of $1½ million after taxes. We do not yet have the figures for 1970 so we can only take in good faith the company's assertions that revenues are down, expenses are up and they must cut down on expenses. But what if it loses money in 1970? Why should a Crown corporation be treated differently from a private corporation?

For the last six months or so the Minister of Finance and his colleagues have been hammering away at private business, trying to force it to hold price increases down and making pleas not to lay off employees in view of the tightening economic situation. Private businesses have co-operated very well, in fact to the point where they are now faced with declining profits. Why should Air Canada or any other Crown corporation receive preferred treatment compared with private business? Why should this company, which has consistently shown a profit, be allowed to use a mythical statement which to my knowledge has not yet been presented to this House, and because of these estimated figures say it must cut down and that it will lay off so many employees?

In Saint John, Mr. Yves Pratt, chairman of the board of Air Canada, brushed off the lay-offs very lightly by saying they represented only 2.55 per cent of Air Canada's total labour force. Here again is the fallacy that what is good for Canada is good for the Atlantic area.

True, these employees may represent only 2½ per cent of Air Canada's total labour force, but in the Atlantic provinces the number to be laid off in many cases represents a third of Air Canada's working force there. In Yarmouth, as my colleague points out, 33 per cent of Air Canada's jobs have been declared surplus. As Mr. McDevitt said in Saint John, the number laid off in the Maritime provinces represents about one-third of the number in Canada.

• (8:30 p.m.)

Where is the justice and what is the reason for such a failure? Air Canada must be told, and told immediately, by the Minister of Transport (Mr. Jamieson), the Acting Prime Minister (Mr. Sharp) or someone in authority, that that organization has the same responsibility to the Canadian people as it has to private business. It must be told that this country is waging a battle against unemployment and that it cannot be allowed to slow down the fight by ill-considered lay-offs. In short, Air Canada must be told that the announced lay-offs must be postponed until the economy is once again going full steam ahead. As I said earlier, time after time we have hammered away to bring this situation to the government's attention. We hope the government is finally aware that unemployment has become a serious problem. Sometimes you wonder if that idea has ever occurred to them.

The government keeps saying, "What shall we do? " We have often heard them say, "You cannot give us any suggestions." Quite apart from the fact that the government is trying to evade its responsibilities, it has the responsibility of telling us what to do. We on this side have made many suggestions. They have been ridiculed, laughed at. Nevertheless, as I have said, many responsible businessmen in the country are thinking the same way we are.

What can the government do now? We need constructive measures to get the construction industry back to work and to supply the housing that is so desperately needed. If we enable the construction industry to get back to work, we shall immediately bring about a rapid increase in employment in the construction trades, and that will have a multiplier effect throughout all industry. To begin with, I suggest to the Minister of Finance, as many others have suggested, that he remove the 11 per cent sales tax on building materials. The Premier of New Brunswick has already taken the lead in this field, having recently removed the 8 per cent sales tax on building materials. This already have given an encouraging impetus to the building industry. This step alone would have a tremendous effect in reducing the 18.8 per cent unemployment figure in Moncton.

We need substantial cuts in both corporate and personal income tax, to place more money in the hands of consumers and to reverse the pessimistic attitudes held by businessmen about the immediate future of the economy. Above all, the government must admit that it has been wrong in its political philosophy that everything must be brought under government control. We need an admission that it has been wrong in its theory which suggests that economic expansion can only be achieved where, when and how the minister and his bureaucrats decide.

We need the government to admit that other people also have good ideas about how to create jobs, and when. The government must realize they do not know everything; they do not have the complete, decisive say as to where and at what times jobs should be created. We want assurances that this government does not consider itself the sole fount of wisdom, omnipotent and omnicompetent. Above all, we want from the government recognition that private enterprise, and not the government, is the only lasting source of economic growth and jobs.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I listened to the speeches in this debate yesterday and most of today and have found that the analysis by this House of the very complex problem of unemployment has been, for the most part, an ultrasimplistic one. Opposition members have repeatedly stated that the unemployment we are now suffering in this country has been due completely and solely to government policies.

An hon. Member: You are so right.

Mr. Alexander: That is true for 99 per cent of the unemployment.

Mr. Allmand: It seems to me this is just not true, and I am not saying that because I am a government supporter.

An hon. Member: I suppose the hon. member is going to set us straight.

Mr. Allmand: I say that because a great many other causes occur to me which have something to do with the problem. The policy of the government has been one cause, but I do not feel we shall do much toward solving this problem in the long run by continually ranting that the entire problem has been caused by government policy. If we look at countries which have governments of a different colour we see that they, too, have been faced with cyclical unemployment. Right now the United States faces a growing problem of unemployment. I should like to put before this House some of the other causes which have occurred to me and which I think should be considered.

An hon. Member: Primarily, people are unemployed because there are no jobs.

Mr. Allmand: First of all, it occurs to me that we have an economic system which is not flexible enough to adjust its cost factors when economic conditions change, particularly the cost of capital and the cost of labour. Second, we seem to have developed an economic situation which, contrary to the classical prototype, has been faced with increasing prices combined with increasing unemployment.

An hon. Member: And bigger profits.

Mr. Allmand: Third, we have an economic system in which there is a shortage of money for jobs and for

investment, while the banks continue to make large profits.

Some hon. Members: Hear, hear!

Mr. Allmand: Mr. Speaker, these situations which we observe in our economic system lead me to ask further questions. What has been the role of our financial and credit institutions which have unduly promoted a dislocation in investment and spending priorities and have promoted long-term, inflexible fiscal obligations causing unemployment? What has been the role of large unions which have pressed for higher wages than their productivity would warrant and have insisted on wage parity and other demands out of line with existing economic conditions, causing unemployment?

I am putting these questions to the House because I feel they are important and should be considered. For two days I have listened to this debate, and only one cause for unemployment has been put forward by the opposition. I do not pretend to have the answers to these questions. I am merely suggesting that we investigate these things. They should not be sacred cows. We should not treat them as clichés which should not be looked at. For too long conventional wisdom has given us its opinions, as if their correctness is beyond question. I shall speak of other things that occur to me, but I say let us look at this problem honestly. I agree with the opposition; it is a most serious problem, especially in my city of Montreal. I wonder how many men have either not been hired or have been laid off because of conditions which have been imposed by strong unions and strong industries.

An hon. Member: Give us some examples.

Mr. Allmand: It is fine for those who are working to receive ever-better wages and to enjoy ever-better working conditions. But what about those who are not working, either because they have been laid off or because they have not been hired? I say this not as one who is anti-labour but as one who is an observer of a system in which only part of our working force is unionized and in which those outside the unions are often victimized by the actions of the unions.

Furthermore, I ask: What has been the role of technological change in bringing about unemployment, and how does this factor relate to government and to union policy? What has been the role of international trade in causing unemployment? How does the change in the value of our dollar fit into this situation? What has been the role of our educational institutions? Have they been directing the right people into the right areas of study? Have we overproduced people in the arts field and in the teaching field, and have we produced too few people who could be of great help in the areas of production, investment and employment?

• (8:40 p.m.)

What has been the role of our three-tiered tax system, the tiers of which do not always work in co-ordination? I refer to the federal, provincial and local taxing powers, including municipal governments and school boards. Have the contrary actions of the different levels of government in Canada caused unemployment? What has been the role of the central banking system? Is it too central? As the previous speaker said, should we have a more decentralized banking system in Canada?

Mr. Peters: With all these questions you sound like my constituents.

Mr. Allmand: Unfortunately, I still do not hear many brilliant comments from the other side.

Mr. Yewchuk: Neither do we.

Mr. Allmand: I listened to you for two days. Keep quiet for a while. Have our welfare and income support programs been a cause of unemployment? I suggest that we must do much more, if we are really interested in investigating the cause of unemployment, before we can come forward with answers. We should know more about the background of those who are unemployed. From what industries do they come? How long have they been unemployed? What are the regions with most unemployment? In what types of industry or commerce were these people formerly employed? I ask these questions because I feel the analysis of unemployment has been far too shallow up to this time.

Some programs have been implemented to help the unemployment situation on a short-term basis. Some of these programs have already been started by the government, others have not. There has been a public works program, an increase in unemployment insurance, and tax cuts. All these are short-term solutions. There should be an intensive study—into the causes of unemployment and programs for full employment and price stability.

The other day the hon. member for Winnipeg North Centre (Mr. Knowles) suggested that a committee of this House be set up to study the problem. He gave the impression that this committee would only hear grievances. I support him in the establishment of such a committee; however, I do not think the committee should merely hear grievances. I think that a committee of this House, embracing all parties, should be set up to study and identify the basic causes of unemployment at this time and to suggest solutions. In addition to hearing grievances, the committee should hear witnesses, question conventional wisdom, slogans and clichés of both the right and the left. It should attempt to solve this serious problem. In addition to Canadian experts, the committee should interview experts from abroad. I would like to see the committee examine such people as John Kenneth Galbraith.

Mr. Peters: Maybe he could answer some of your questions.

Mr. Allmand: I wish to suggest a few short-term solutions. Although they may appear to be simple, I offer them to this forum for discussion. The suggestions are not new. The government should negotiate with labour,

industry, business and local governments in an attempt to reduce the work week by 10 per cent and increase the work force by 10 per cent. In other words, the work now available should be spread around in order to encompass more people. This would mean a 36-hour work week instead of a 40-hour work week, or a seven-hour day for five days a week instead of an eight-hour day. If such a program were adopted, one additional man could be employed for every seven men now working.

There have been objections to such a suggestion. Some people say it would be inefficient. I do not understand that. Inefficient for whom? I do not think it is more efficient to have eight men working seven hours a day rather than seven men working eight hours a day. It has been suggested that this would decrease the weekly pay packet by five hours a week. That is true. However, if the work force was increased by 10 per cent, taxes could be reduced because social and welfare payments, manpower training payments and other payments could be decreased. This would result in approximately the same take-home pay as at present. It has been suggested that the problem of unemployment could be solved by economic growth. We are achieving economic growth today without employment growth. Our economic growth is due to technology, not labour-intensive industry.

An hon. Member: It is also due to the Liberals.

Mr. Allmand: There is also a trend from productive industries to service industries as well as service industries on a higher level. Those who say we should provide jobs tend to think that productive capacity can be expanded indefinitely in the work force. According to what I have read, this is not the case. This type of program could be carried out by negotiation or by government incentives. I wish to suggest another solution. This might also appear to be very simple, and there may be arguments against it. I offer it to this forum for discussion.

Mr. Woolliams: We will not have time to discuss it.

Mr. Allmand: Preference for new jobs should only be offered to the chief breadwinner of a family unless he is earning less than $6,000 a year. I know of many cases in my own city, as well as here in Ottawa, where the head of the family is earning in excess of $10,000 a year and his wife is earning $6,000 or $7,000 a year. Something should be done about changing jobs which are either man-oriented or woman-oriented. Many secretarial and other types of jobs in the House of Commons, some of which pay fairly well, are held by women. Many other jobs are held exclusively by men. The system should be more flexible. Many of these jobs could be held by people who support a family, rather than by people who are supplementing a family income. These two proposals are minor to my first proposal that a special committee be established to study in depth the problem of unemployment.

Many members suggested a tax cut. I think that should be considered further. However, at this point I am not convinced that it would solve the problem. If personal and corporate taxes were cut, would that money be used to create new jobs? I am not convinced that it would. It may help the rich much more than it would help the poor. People with low incomes pay a low rate of tax; I doubt whether a cut in taxes would stimulate the economy sufficiently to create jobs for them. I understand that a few years ago in the United States taxes were cut and that money did work its way into the economic system quickly and it did create jobs. However, I am not sure whether in this case it would do so.

• (8:50 p.m.)

I wish to close my contribution to this debate by expressing the hope that what we have been saying in the last two days will result in action helpful to the unemployed. When I listen to these debates I often wonder whether they are of any value; I have the impression they are used by members on all sides of the House just to score political points. I would hope we could all make a contribution to the solution of this problem which is beyond politics.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, during the last two days we have heard in this debate analysis after analysis, but when all is said and done we are left with the cold fact that there is mounting unemployment. There are today in Canada about 600,000 people unemployed, and the number is steadily increasing. We ask ourselves: When will the end come? There are many more who are not even on the list. Many of them are young people who have never been on the labour market before. They receive no benefits and they may not even be eligible for manpower training because they have not been in the labour force for three years.

This is not a negligible factor. Nearly 50 per cent of the unemployed are 25 years old or younger. Nearly 20 per cent are less than 20 years of age. They are to be found across Canada, mostly in the cities. Some of them hold university degrees. Some are bitter and disillusioned. They were told that if they were well trained and educated the world would be at their feet. They have heard the story of the just society. If some of them are now bitter and disillusioned, can you blame them, Mr. Speaker? They are young, they are willing, and there is no work for them.

Many of them are single and are not eligible, in a number of places, for welfare. Many are going around begging. In all the time I have practiced medicine I have never had so many people coming to me for help, and a great many of them are young people, some with university degrees. The interesting thing is this: the only way you can aid these people who are not eligible is by giving it yourself or by getting it from somebody else, for example, from the Salvation Army. The government does not cover these young people who have not been in the labour market. They put me in mind of the doctor who had a sick patient. He said, "I can cure this patient's disease; there is no question about that. I can give him the right medicine. All that bothers me is whether the patient will survive long enough to benefit from it." In this young group the seeds of dissent and revolution can easily be planted. The present situation is worse than it

was during the great depression because most of these people know only an affluent society.

This is the personal side, the suffering and the disenchantment of the unemployed. What about the goods and services they would have provided had they been working? The economists tell us that had these people been at work last year they would have produced about $5 billion worth of goods. These are goods which could have been sold in the marketplace. What about the taxes which would have been paid by these 500,000 people had they been employed? It would have amounted to perhaps another $1 billion in income tax alone. As it is, we have to pay them welfare or unemployment insurance and they are obliged to buy less in the marketplace because they do not have the money to spend.

The government stands condemned for completely ignoring the fiscal and social programs it should have introduced a year ago. Just last summer the Prime Minister (Mr. Trudeau) stated he would not change his policy; people could like it or they could lump it. Well, the lumps are hurting, Mr. Speaker, yet no one in the government will admit that its economic record is a tragic one. The Minister of Finance (Mr. Benson) is like the boy who stood on the burning deck whence all save he had fled, but he does not realize it. Yes, they were going to cure inflation.

I was interested in an article which appeared this month in a paper which has been quite friendly to the government, the *Financial Times*. It reads as follows:

> Back in 1965, governments at all levels got along with less than one-third of the gross national product. Many people thought that was already too much. By 1967 the government's share had grown to 35 per cent. In 1970 it was just over 38 per cent.
>
> In terms of personal income alone, the average Canadian in 1967 contributed $15 to governments for every $85 that he was allowed to keep for himself and his family. In 1970 the governments took $19 and left him $81.
>
> Many Canadians, of course, gave up a much larger share of their income to governments. A majority of the active population with earning capacity kept far less than 80 per cent. A minority with low earning power kept a higher proportion. The substantial minority with little or no earning power drew from the pot contributed by the rest. And a growing army of government employees lived on it.
>
> The average figure understates the burden of government which every productive citizen is carrying. Corporation and business taxes compound the understatement because in the last resort they are all paid by individuals too. They may be paid by consumers in higher prices, by employees in lower wages or by investors in lower dividends. But they all come back to individuals.
>
> Governments love these taxes which they like to call "hidden". They are like dentists—experts in the art of painless extraction. That is why they cling to devices like the manufacturers' sales tax which forms part of the final price paid by consumers (and, incidentally, escalates at every stage of distribution). That is why they like "hidden levies" such as payroll deductions for pensions.

• (9:00 p.m.)

> The supposedly "hidden" taxes, under the innocent name of "contributions", are now approaching one-tenth of the individuals' payments to governments. For businesses they may be even higher. At this level it is an illusion for any government to imagine that they remain either painless or hidden.

What has been forgotten is that productive Canadians—in every walk and at every level of income—are determined to offset the growth of inflation and taxes. The thing that concerns them is the real income which they have left to spend; and that has grown less than either prices or taxes.

This is why wage increases have been necessary. The government was going to cure inflation, even at the cost of unemployment. Although the government has dampened the fires of inflation a bit, it has also created the highest level of unemployment in a decade. Is that an accomplishment of which they should be proud, Mr. Speaker? The government has crimped economic growth and industry has been slowed down. As a result, jobs have been lost. On top of this, we have had the worst unemployment record of any developed country in the world.

Welfare rolls have multiplied in number across the country, to a point where the municipalities are hard put to handle them. In despair they tend to scrimp and scrimp, to the discomfort of the individual. What is the government going to do to remedy the situation? It is the government that has placed us in this difficulty. If the government did not know the answers before administering the treatment, then it should have known. With a record which is the worst of any western country, the government stands condemned at the bar of justice.

What is the cure? In the United States the government cut corporation and personal income taxes. This was also done in Great Britain, Australia, New Zealand and Germany; but not in Canada, Mr. Speaker. Our finance minister stood like the boy on the burning deck and refused to cut corporation taxes or personal income tax. I ask the government why it refuses to cut taxes. As a matter of simple mathematics, if a man's take-home pay is increased by the removal of taxes, he does not require as large an increase in his wages. Indeed, there would not be the same pressure to ask for more wages. The same is true of corporation taxes. Immediately corporation taxes are lowered, businesses are placed in a better competitive position in the marketplace of the world. But the government has refused to take either step, even though, as I have said, a similar step has been taken by the United States, Great Britain, Australia, New Zealand and Germany.

In failing to remove the federal sales tax the government stands condemned by a newspaper that has generally been favourable to government policy, the *Financial Times*. With regard to low-cost housing there are many hidden taxes, and these are very well described by the *Financial Times*. For example, I was talking to a man the other day who had had a simple little board made up with an inscription upon it. This board had cost him about $9. He had to pay the federal government $1.08 tax, which brought the price of the board up to over $10, and on top of that had to pay 5 per cent provincial tax. This amounted to about 55 cents. In other words, he had to pay $10.63 for an article that he should have been able to purchase for $9. This is why the working man, members of the work force, the professions, and so on, require more money; and it is why we have inflation. The Minis-

ter of Finance raised taxes, not lowered them, and this policy has been a dismal failure.

If income tax is cut, pressure is taken off wage demands. If corporation tax were cut, there would be money for expansion and goods would become more competitive in the marketplace. It would give the people back their own businesses. Yesterday I attended the election of a warden in one of the biggest counties in the Dominion of Canada. One of the speakers said it was about time government was given back to the people, because the people knew when money was getting scarce and made the necessary adjustments; the people knew how to handle it.

I want to dwell for a moment on the subject of regional government. I know of an industry that wants to build a factory under the government's incentive legislation but cannot afford to do so because in this area there are no incentives and taxes have been too high. There is just not enough money left over from business activities to build and expand. The government should offer assistance in the building of this factory because it would create employment. Instead, regional government is running wild and we have a sort of balance of payments between the various provinces—in effect, a stabilization fund.

Since the government's guidelines have been unsuccessful and have only depleted profits, I suggest the government should use public funds to create public works. One of the suggestions made yesterday at the County of Simcoe's meeting was to establish a work program directed toward the removal of dead elm trees that stand out stark across the country. Such a program could be commenced in each province. Dozens of similar projects could be initiated.

So many people are living on fixed pensions. While the government boasts about beating inflation, I suggest they examine some of the rents these pensioners are paying. To show the House how benevolent this government is, Mr. Speaker, about two years ago they introduced the national medicare scheme across Canada. But no provision whatever was made for the poor who could not afford to pay for drugs prescribed by doctors under the medicare scheme. If that is not a national disgrace, I do not know what is. Since the government brought the program in, it should have completed the job by introducing a drug care bill, because there are hundreds of thousands of people in this country today who cannot afford to buy drugs prescribed by their doctor. Another matter of a humanitarian nature is the standard of continual care of patients in nursing homes following intensive care in hospitals. Those who are chronically ill and require nursing care receive no assistance at all from the federal government.

• (9:10 p.m.)

Those are the things I am advocating to the government today. It must show its humanitarian principles in looking after those who are unable, under present circumstances, to look after themselves and provide work wherever it can be provided. I have suggested one project. There are others. The government must lower taxes immediately and cut the sales tax in order that people will be able to purchase more goods. In the final analysis, the government must bring the value of the Canadian dollar down from 97 cents or 98 cents to 93 cents or 92 1/2 cents in order that we can again become more competitive in world markets and have the trading advantage that we need. Let us hope that before we have more serious problems the government will act.

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): Mr. Speaker, as many members have pointed out, the present level of unemployment is distressingly high. There is no disagreement on that from this side of the chamber. No one concerned about people can fail to be unhappy about the situation. The Minister of Finance (Mr. Benson) has pointed out that there are encouraging economic indicators which show improving trends. I think that we welcome these indicators, regardless of party affiliation. There is real encouragement in our export position and we can draw heart from Canada's price performance in comparison with other trading nations.

However, I agree with hon. members in the opposition when they say that this is very small consolation to the family man who may have been working for years and been a good worker, a man with youngsters and a mortgage who is out of work through no fault of his own. Let me say, this, Mr. Speaker: I would be delinquent in my responsibility as a former member of the opposition if I did not commend the opposition for speaking out and commenting on the situation. That is their job, as much as we on this side of the House may resent some of that criticism.

Some hon. members in the opposition have presented alternative ideas, and I have marked some of them down. As in other debates, some of the ideas appear at least to some of us to have more merit than others. But ideas have been expressed during this debate and that is good. In my view, some of their statements have been unfairly critical. I agree with my minister when he said last night that psychology is important in assisting the economic readjustment we all seek. The Leader of Her Majesty's Loyal Opposition (Mr. Stanfield) has pointed this out in many speeches across the country during the past few months and I agree with him and those who have echoed this position.

We do not need statements in Canada which seek to alarm or disconcert for purely political reasons. They render a notable disservice to our country. Hon. members opposite know, as we on this side know, that the long-term prospects for Canada are simply magnificent, regardless of present difficulties. We all know that. We need reassurance and confidence in the Canadian economy so that normal growth patterns can be restored as fully as possible. Again, I say that this does not mean the opposition has no right to criticize. Churchill said on January 27, 1940, during one of his great speeches to the House of Commons:

> We do not resent the well-meant criticism of any man. We do not shrink from any fair criticism—that is the most dangerous

of all. We take it earnestly to heart and seek to profit by it. Criticism in the body politic is like a pain in the human body. It is not pleasant but where would the body be without it? No health or sensibility would be possible without correctives and warnings of pain.

We have had many warnings of pain here, particularly in the last few hours. What are we facing? The figure of 6.6 per cent unemployment has been bandied around this House of Commons and speakers have quoted this figure at great length. The figure of 6.6 per cent is a high per cent. About 40 per cent of it, however—the economists on the other side of the House know this is true—represents frictional and structural unemployment. Unemployment of about 2.5 per cent or 3 per cent is inevitable. Hon. members know this, and we know it. Let us not attempt to inflate these figures in order to frighten the Canadian people into the belief that we have some kind of a depression from which it is impossible to emerge.

Some hon. Members: Oh, oh!

Mr. Perrault: I am simply giving the opposition some facts. They know that they are facts and they know that this is accurate information I am dispensing. The problem, and it is a difficult one, relates to the remaining 3.3 per cent or so of the work force. I repeat, under present highly-developed technological conditions we will have, even in good times, something like 3 per cent unemployment. This is a fact which has been admitted by opposition members during some of their statements in the House of Commons. So we are talking about 3.3 per cent of the work force.

Everything possible must be done for those people now. We cannot afford any fatalistic or passive acceptance of this figure. Indeed, the percentage of unemployed may be expected to increase if the seasonal trend continues to manifest itself. We know this. It can be expected that unemployment will increase in January and February, as it always has. There is reason to hope, however, that a significant improvement will be registered soon and that by summer levels of unemployment will be at least within a respectable distance of the 10 year norm.

Whose responsibility is unemployment? There has been an earnest attempt by the opposition to grasp this issue as something it can race to the electorate with, saying that the big bad government in Ottawa is responsible for it all. This afternoon the leader of the Socialist party in this House commenced his speech by saying the government is responsible. He said the government was responsible for inflation a few months ago. I have some comments from the NDP council convention and I should like to share them with the House. This is what occurred at the New Democratic Party Council meeting:

> Economists Jack Weldon and Rosalind Blauer told the New Democratic Party council during the weekend that efforts to control U.S. generated inflation in Canada are worthless.

The NDP has been blaming the federal government these many months. The report continues:

> David Lewis, NDP Member of Parliament for York South, said it would be politically impossible for NDP in its present position to say: "Full employment and we don't care where the prices go".

> If in power, the party could take measures to keep prices reasonable.

I ask whether there has been fair NDP criticism of the government during recent months. They level a full measure of blame at the government and then in their inner council party meeting say it is a U.S. generated inflation. I think we have done very well to control this "U.S. generated inflation" in Canada—indeed, the best of any nation in the western world.

Our Socialist friends, and many of them are good, personal friends of mine, profess to be friends of the working man. May I read into the record of the House this quotation from "The Annals of the American Academy." This is an article by the learned Mr. C. Canby Balderston, a man with impeccable credentials; indeed, he has been quoted by some members of the Socialist party. He writes as follows:

> Inflation is not an effective long-run means of creating job opportunities. Eventually inflation endangers and disrupts job stability for it is during inflationary booms that the seeds of deflation are sown.
>
> Nor will inflation cure structural unemployment that stems from shifts in the use of resources. A dynamic economy forsakes the old for the new, and so one may expect rapid economic growth to bring about some unemployment of a structural sort.

• (9:20 p.m.)

> Even though further expansion will tend to put more people to work, an unemployment percentage higher than that reflecting frictional unemployment might lead to the question of whether job opportunities would not be greater if certain prices were lower.

It has been the effort of the government to keep prices under control. In saying this I want to advance some ideas on how we can improve the present situation. There has been a great volume of comments from the hon. member from the great province of Alberta. I want to ask him about a statement made by the financial critic of his party, because so many members of that party have been critical of what they allege is a fight against inflation which the government has designed to deliberately create unemployment. I ask because I am confused. I cannot reconcile the statement made on November 4, 1969, with what we have been hearing during the past few hours. The following is from the record of the House. It was said then by the financial critic of the Conservative party:

> If the national effort against inflation results in an underkill on the score of inflation, it will be far worse than the overkill; because if we have a national underkill in this fight against inflation, we will have to start all over, and I think the square of zero is going to be much further back again.

So in 1969 the Conservative financial critic said, "Even if it is overkill, even if we create unemployment, we have to fight inflation." I wonder if the members of this House, indeed the Canadian public, have a right to question exactly what the opposition really believes to be the line of attack against unemployment and inflation, because the line changes so frequently.

In so far as the government was given a mandate to govern in 1968, it has certain responsibilities to attempt to influence the development of the economy. But Cana-

da's economic welfare is everyone's responsibility, including that of the opposition. It is in part the responsibility of other levels of government, provincial and municipal. We do not have in Canada a unitary state of the kind they have in Britain, for example. We do not have a unitary state of the type they have in Sweden. It is impossible under the constitutional powers vested in the government for Ottawa unilaterally to bring into effect all the economic measures they would wish.

Mr. Korchinski: Bring that up in the next federal election.

Mr. Perrault: I asked a question about my own province of British Columbia. Is Ottawa responsible for the 300,000 man-days of labour lost in British Columbia last year in industries primarily under provincial jurisdiction, and the 11,800 man-years of work because of strikes under provincial jurisdiction? Not a word has been said by the opposition here about the responsibility of the trade union movement in Canada, of business, of municipalities and of provincial governments. There is an inspired attempt to blame Ottawa for everything that is wrong, but when times are good the provincial governments and other levels of government take the credit.

It is in part the responsibility of the business community, some of whom talk about the need for rugged, free enterprise during prosperity and actively seek government intervention when the economy slows down. This fight against unemployment is in part the responsibility of the trade union movement and their leaders who represent the labour force of Canada. Inordinate demands on the economy by labour and management act to retard economic progress.

In a free society, one which all of us profess we would like to maintain, a society with a maximum degree of freedom, even national governments with their powers are not able to decree full employment. The opposition knows this; they said so in 1961 and 1962. I am not going to go back to those days, but the speeches are on the record. We could have full employment overnight if Canadians would accept the kind of direction over their lives which would be unacceptable to the great masses of them.

Mr. Woolliams: Don't talk nonsense.

Mr. Perrault: Does the opposition assume that the Canadian people would like to have a national work force office established, giving orders directly to the unemployed men and saying to them; "You are going to a job in the Northwest Territories on the six o'clock train, or else"? Is that the way to solve unemployment? There is full employment in certain dictatorial states. Is that what we want? Does the opposition assume that a national government is able to pull magical financial levers to bar U.S. inflation from Canada, the kind of inflation which the NDP council of economists admits comes from the U.S.?

Do we really believe that federal efforts can affect the amount of lumber required for houses in the republic to the south? Does the opposition really seriously suggests that there are not good workers out of work in many parts of eastern and western Canada because housing starts are down in the country to our south? I know that my friends directly opposite me, the Socialists, talk about Sweden being the home of social democracy. Let me read the following into the record.

Mr. Korchinski: Your leader is one.

Mr. Perrault: It reads:

This Scandinavian country once put full employment first—and paid no heed to resulting inflation.

Now, in a dramatic turnabout, Sweden thinks it is better to let unemployment rise than to risk heavy inflation that could lead to a money crisis.

Reasons for a switch to a new policy become clear when you look at Sweden's inflation problem in recent years—

Result: higher costs, which quickly were reflected in higher prices. Inflation pace in Sweden climbed to nearly 5 per cent a year—

Sweden's labour government, faced with a looming crisis that could force a devaluation of the Swedish currency, decided to put its currency first—and accept a higher jobless rate.

An hon. Member: What is their rate?

Mr. Perrault: It goes on to read:

As expected, the clamp down took hold. The jobless rate has risen . . . double that of past years and the highest unemployment in Sweden in the postwar period.

And yet government officials and labour leaders have accepted it all with scarcely a whimper.

Reasons for the acceptance are very easy to find. Labour costs have come under control. Prices are almost stable.

An hon. Member: Tell us how much.

Mr. Perrault: It continues:

Main idea behind the new employment policy is to create job opportunities by making labour more mobile—transferring workers from districts with unemployment to area where employers need workers—

In these and other ways, social hardship due to higher unemployment has been held to a minimum.

A social democrat from Sweden said as follows:

You can't really cure or prevent unemployment by inflationary policies. We know that from our own experience. A much more subtle approach is needed to avoid both inflationary overemployment and chronic underemployment.

I am not saying that because they have had a certain experience in Sweden we should sit on our hands and say that everybody is in the same boat. I think that much of our unemployment today stems from an increasingly automated industry.

Some hon. Members: Oh, oh!

Mr. Perrault: Increasingly, I think, the fear exists that automation, the new technology and cybernation have not as yet led to the evolution of a system which enables benefits which flow from these processes to find their way into the pockets of all these people. When large numbers of men and women are laid off because of automation, and a slack economy exists which does not

permit them to be absorbed in another sector of the economy, these men and women have a right to ask, "What's in automation for me?"

Why should the lives of Canadian workers, whether they be in London, Ontario, in Saskatchewan, the Maritimes, B.C., Ontario or Quebec, be dislocated by what is supposed to be an economic boon and a blessing? Why should long-term employees be dismissed without adequate notice? Believe me, this is a concern of the government and, hopefully, something will be done about it. In some countries unemployment levels are very low because a deliberate and conscious effort is made to bar automation: wages are low as well. We in Canada know that in order to remain competitive in today's world, efficiency is required and the latest technological techniques. But all of us fail, whether we are in government, labour, management or the professions, if we cannot resolve the challenge of distributing the undoubted benefits which automation brings. This is the challenge with which we are faced.

• (9:30 p.m.)

If we believe Canada is a land of opportunity, then there must be opportunity for a job and the income that goes with it. And if in our pursuit for more sophisticated technology all the Canadian work force, excluding the unavoidable 2½ or 3 per cent, cannot be absorbed into the economy, we must remove the economic penalties and the social stigma associated with this unemployment, and it has to be done now. Mr. Speaker, the good ideas which have been advanced from the various sectors of this House should be considered seriously by the government and studied by members of the civil service, and if they are good ideas let us not be partisan. Let us adopt them if they are good.

Now I want to say a word about the Unemployment Insurance Commission. I know that some members are receiving complaints about late cheques. May I say to hon. members, and through them to their constituents, that if there are delays in receiving UIC cheques, or other problems with the UIC, these problems should be referred immediately to the minister's office and the best possible service will be provided to expedite matters. I have looked into the situation so far as many claims are concerned and I am able to give the House this information: In spite of the high volume of claims, over 79 per cent are now ready for payment in the second week and claims, of course are payable after three weeks. Benefits are payable after three weeks. Some 96 per cent are ready for payment or are paid in the third week.

Understandably, Unemployment Insurance offices across the country are having a very difficult time. Their staffs are to be commended for the work they are doing in meeting a very heavy workload. But I say to hon. members that wherever you sit in this House, you and your constituents have a right to good service from the department and from the UIC. If there are allegations of delays for no good reason, you should contact the minister's office immediately—yes, contact me. Each case will be investigated. It is difficult enough to be unemployed, let alone to be one of those in the small group unable to secure benefits because of one problem or another.

There are three main reasons for delay. One is that the employer has failed to submit a record of contributions which he is obliged to make on behalf of his employees. We undertook over 160 prosecutions last year alone against employers for this offence. The second reason is that the employee may have filed an incorrect claim and some mistake has been made. I point out that service offices and information offices are now being established in some constituencies. To hon. members I say that if they believe the volume of claims in their areas requires this kind of office, I hope they will let the department know immediately. The third reason is that clerical mistakes may have occurred. All sorts of things could have happened.

I also want to point out, Mr. Speaker—I think hon. members are aware of this—that very soon changes will be proposed in the House with respect to unemployment insurance—

Mr. Woolliams: Let us get on with them now.

Mr. Perrault: Certain members of the opposition were most helpful to the government in framing some sections of the labour committee's report on unemployment insurance. They should be commended for this. I confidently believe that after the legislation comes before the House, Canada undoubtedly will have the finest unemployment insurance system in the entire world, designed not only to cope with the contingency of an interruption in earnings resulting from unemployment but a plan to assist those unemployed because of illness, to assist working wives who are unable to work because of pregnancy—a plan not only to cope with unemployment but one which will see the UIC working with other agencies engaged in social development. There will be co-operation with manpower programs. There will be co-operation with provincial and municipal bodies. It will be a plan concerned with helping those who have lost a job to become reemployed as quickly as possible. It will be a plan which will allow benefit rates and contributions to adjust automatically to fluctuations in employment and changes in average earnings.

In addition to a more flexible and responsive benefit structure, the government proposes to assist the unemployed worker more effectively by providing a claimant assistance program. I know that hon. members who have asked for increased assistance for the unemployed will not in any way impede this program and that we will receive their co-operation when the new legislation comes before the House.

In conclusion, I want to take issue with some remarks made by the hon. member for York South (Mr. Lewis) last night, which were printed in the newspapers today. These were some of the words that he used to describe the alleged attitude of the government, "unnecessary, indefensible, disastrous, cruel, heartless, inhumane, smug, complacent, arrogant," and so on.

Mr. Knowles (Winnipeg North Centre): Read on.

Mr. Perrault: A government which invested over $1 billion in housing last year—is that a "heartless" government?

Some hon. Members: Yes.

Mr. Perrault: A government which has spent $245 million on manpower training—should that be described as a "disastrous" program?

Mr. Orlikow: Yes.

Mr. Perrault: What about the creation of 17,312 jobs last year through regional expansion, and thousands of additional jobs which resulted from the establishment of these basic jobs in the economy? What about $96 million spent on bringing about jobs for the constituents of every member of the opposite side of the House? Is that a "cruel" program?

Mr. Olikow: Yes.

Mr. Perrault: Tell that to Reilly, and say it to your constituents.

Mr. Orlikow: I will say it to the unemployed.

Mr. Perrault: What about the $50 million which the Canada Pension Plan paid out in the 1969-70? Presumably this is a "reactionary" and "technocratic" plan.

Mr. Orlikow: It is.

Mr. Perrault: And a 10 per cent increase in unemployment insurance benefits?—I could continue this list of helpful government measures. I have another list of adjectives for our friends on the other side of the House, Mr. Speaker, to describe their kind of descriptive statements. These words, too, are to be found in the Thesaurus near the pages from which the hon. member for York South assembled his list. They are, "void, vacant, hollow, vacuous, blank, devoid, destitute, depleted, desolate".

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I never thought I would be fortunate enough to have an opportunity to take part in this important debate. I would just like to bring the government back to earth. I would advise the ministers that I, too, have had an opportunity to talk to our manufacturers, particularly in the city of Hamilton. If they think these manufacturers show a great deal of confidence in the government's fiscal and monetary policies, they are absolutely wrong.

Mr. Speaker, I want to give you some indication of what these manufacturers have been telling me, what makes them so concerned and so worried about the policies of the government, policies which are strangling our secondary industries to such a point that right at this particular time they do not have a great deal of faith in what is occurring in terms of this country's progress, economically speaking, particularly with reference to the near future. I just want to mention five or six items about which manufacturers are very concerned. One is

[Mr. Knowles (Winnipeg North Centre).]

the freeing of the Canadian dollar, which has certainly affected our exports. Then there is the dumping of goods on the Canadian market and other actions by foreign countries. There are the increased costs of government in Canada, and the high corporate taxation rate, vis-à-vis Japan, of 26 per cent.

Manufacturers are concerned about research and development policy in Canada having an impetus toward government and universities and not toward industry. They are concerned about non-tariff barriers to exports. Let me explain what that means. I refer to an article in the Hamilton *Spectator* of January 16, written by James Carr, business editor, which leaves no room for doubts. In it he says:

> The problem today is not tariff barriers but non-tariff barriers—a much more subtle form of trade discrimination designed to keep certain Canadian products from competing in other countries.
>
> This is a familiar problem in the electrical industry, which is also being pushed hard by imports. Yet when a Canadian company tries to bid on electrical equipment in countries like Japan, West Germany, France and Britain, the bid is ignored in favour of a domestic manufacturer—even though the bid may be substantially lower.

• (9:40 p.m.)

Mr. Carr continues:

> The big job creators are our manufacturing industries and until their products are given an equal chance at home and abroad, Canada will always have an unemployment problem.

Do I need to read any more? I now wish to talk about another area. I found out, as a result of participating in the work of the special joint committee of the Senate and House of Commons which travelled west, that there is a considerable amount of alienation in western Canada. This has been epitomized by an editorial in the Edmonton *Journal* of January 15, 1971, known as "Comment". The headings is, "Lumping it". I quote from the editorial as follows:

> When May unemployment figures showed 513,000 people still without jobs, Mr. Trudeau was even more emphatic about the policy which was fighting inflation at the expense of jobs and growth.

The article then quotes what the Prime Minister (Mr. Trudeau) said on television as follows:

> 'If the Canadian people don't like it, you know they can lump it,' he said on television.

The editorial continues:

> The time to have done something about this winter's unemployment was last summer, when Mr. Trudeau was telling Canadians that he wouldn't change his policies and they could like it or lump it.
>
> We're lumping it now. And the worst thing about it is not the misery, heartbreak and human tragedy of this winter's unemployment. It is the fact that the government shows no awareness that there has been anything wrong with its economic record or that better, more effective, and less brutal policies are needed in the future.

This afternoon I listened to the Minister of Finance (Mr. Benson) and to my friend the hon. member for Burnaby-Seymour (Mr. Perrault).

Mr. Baldwin: The minister's speech was terrible.

Mr. Alexander: It was a disastrous speech. There were people in the press gallery waiting in great anticipation to hear something, but all he did for 15 minutes was berate the loyal opposition. He also berated the New Democratic Party. I have discovered that this government is good at rhetoric but is no good at actions or deeds. I stand here and say confidently that in my opinion the Canadian people have no faith in this government. In the Hamilton district alone, which has a population of approximately 200,000, almost 19,000 people were unemployed on December 30. What the government must do is create a climate which encourages human endeavour and initiative and does not discourage them.

Some hon. Members: Hear, hear!

Mr. Alexander: We must create a climate of hope as opposed to one of despair and frustration. We must create a climate for economic growth in which the talents and expertise of the Canadian people can bring about the betterment of Canada.

What are the facts, Mr. Speaker? The Economic Council in its recent annual review gave what I would call a backhanded, scathing and sarcastic condemnation of this government. It said that Canada probably has the highest rate of unemployment of the more industrially advanced nations. Do you know what this means, Mr. Speaker? It means the loss of our valuable human resources, the loss of productivity and the loss of taxes. And what did the Minister of Finance say?

Mr. Deputy Speaker: Order, please. It being 9.45 o'clock p.m., it is my duty, pursuant to Standing Order 60(7) to interrupt these proceedings and put forthwith the question on any amendment before the House. All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the amendment (Mr. Lambert, Edmonton West) which was negatived on the following division:

Division

YEAS

Messrs:

Alexander
Asselin
Baldwin
Barnett
Beaudoin
Bell
Benjamin
Bigg
Brewin
Burton
Cadieu
Coates
Comeau
Crouse
Danforth
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Grills
Gundlock
Hales
Harding
Harkness
Hees
Horner
Howard (Skeena)
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Bellechasse)
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
Lewis
Lundrigan
MacDonald (Egmont)
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
Macquarrie
McCleave
McGrath
McIntosh
McKinley
Matte
Mazankowski
Monteith
Moore
Muir
Murta
Nielsen
Noble
Nowlan
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rose
Rowland
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thomson (Battleford-Kindersley)
Valade
Woolliams
Yewchuk—89.

NAYS

Messrs:

Allmand
Anderson
Barrett
Basford
Béchard
Beer
Benson
Blair
Blouin
Borrie
Boulanger
Breau
Brown
Caccia
Clermont
Cobbe
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Cullen
Cyr
Davis
Deachman
Deakon
Douglas (Assiniboia)
Drury
Dubé
Dupras
Duquet
Émard
Faulkner
Forest
Forget
Foster
Francis
Gendron
Gervais
Gibson
Goode
Goyer
Gray
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Hogarth
Hopkins
Jamieson
Jerome
Kaplan
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
LeBlanc (Rimouski)
Lefebvre
Legault

Division

Messrs:

Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
Mackasey
Major
Marceau
Marchand (Kamloops-Cariboo)
Morison
Murphy
Noël
Olson
Orange
Osler
Otto
Ouellet
Pepin
Perrault
Pringle
Prud'homme
Richard
Richardson
Roberts
Robinson
Rock
Roy (Laval)
Serré
Sharp
Smerchanski
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve-Rosemont)
Trudel

Messrs:

Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Weatherhead
Whelan
Whicher
Whiting
Yanakis—108.

Mr. Speaker: I declare the amendment lost. It being after ten o'clock, this House stands adjourned until two o'clock tomorrow afternoon.

At 10.10 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, January 20, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

CANADA-JAMAICA INCOME TAX AGREEMENT ACT, 1971

IMPLEMENTATION OF AGREEMENT FOR AVOIDANCE OF DOUBLE TAXATION

Hon. Allan J. MacEachen (for the Minister of Finance) moved for leave to introduce Bill C-217, to implement an agreement for the avoidance of double taxation with respect to income tax between Canada and Jamaica.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

ROCHDALE COLLEGE

Question No. 28—**Mr. Paproski:**

1. How many students at Rochdale College list their country of origin as (a) United States (b) Canada (c) other countries?

2. How many professors or instructors at Rochdale College list (a) United States (b) Canada (c) other countries as their country of origin?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The government has no knowledge of the country of origin of the students or staff at Rochdale College.

*NATIONAL REVENUE—CONTRACT FOR STUDY OF LOCATIONS FOR BRANCH OFFICES

Question No. 110—**Mr. Asselin:**

1. Has the government entered into a contract with a firm of management consultants for a study on locations for branch offices of the Department of National Revenue?

2. Was the call for tenders general or by invitation and, if by invitation, what firms were asked to submit tenders?

3. (a) How many firms tendered (b) what firms were they (c) what were their respective bids?

4. Which firms were (a) Canadian (b) American?

5. Which firm was the successful bidder and is it (a) a Canadian firm (b) an American firm (c) a Canadian subsidiary of an American firm?

6. If the successful bidder is a Canadian subsidiary of a U.S. firm, will the project work be carried out by Canadians or Americans?

7. Does the successful bidder have twinned staff to carry out part of the project study in the French language?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I can report to the House, Mr. Speaker, that the reply to this question has been prepared and I have it here. It is rather lengthy. I have had a conversation with the hon. member and he has agreed that the reply should be tabled but recorded in *Hansard* as if it had been read.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Editor's note: The text of the answer follows.*]

Mr. Jerome: 1. On August 6, 1970 the Department of National Revenue, Taxation entered into a contract with a firm of management consultants to carry out a study which would assist the Department in making decisions on the best scheme of field officers to serve the needs of the public and the Department to at least 1980.

2. The call for tenders was by invitation. The firms asked to submit tenders were: Booz. Allen & Hamilton Canada Ltd.; Ducharme, Déom & Associés Inc.; Kates, Peat, Marwick & Co.; P. S. Ross & Partners; S. M. A. Inc.; Stevenson & Kellogg, Ltd.

3. (a) Five firms tendered; (b) and (c) Their names and respective bids were: Booz. Allen & Hamilton Canada Ltd., $152,000; Ducharme, Déom & Associés Inc., $99,800; Kates, Peat, Marwick & Co., $96,000; P. S. Ross & Partners, $271,000; Stevenson & Kellogg, Ltd., $55,500.

4. All the firms which submitted tenders are Canadian firms.

5. Booz. Allen & Hamilton Canada Ltd. was the successful bidder. It is a Canadian firm which is a subsidiary of an American firm.

6. Most of the project work is being carried out by Canadians. Some specialist assistance is being drawn from the American parent company.

7. The successful bidder is using bilingual staff where required for necessary interviews and research.

CO-OPERATION AGREEMENTS SIGNED WITH FRANCOPHONE AFRICAN STATES

Question No. 395—**Mr. Fortin:**

1. What co-operation agreements have been signed with francophone African states during the past five years?

2. What are the details of each agreement?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. The Agreement on Economic and Technical Co-operation between the Government of Canada and the Government of the Federal Republic of the Cameroon, signed at Toronto, September 15, 1970, is the only co-operation agreement having treaty status between Canada and a francophone African state. The agreement has not been ratified.

Questions

2. The document will become public on the day of its ratification.

DEPARTMENT OF REGIONAL ECONOMIC EXPANSION—SAVING OF MAN-HOURS AS A RESULT OF USE OF COMPUTERS

Question No. 459—**Mr. Robinson:**

How many man-hours have been saved as a result of the utilization of computers by the Department of Regional Economic Expansion during each year since computers have been used?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): The use of computer facilities in the Department of Regional Economic Expansion has contributed significantly to availability of information. Since the department's information systems have been developed on the basis of computer using techniques, there is no precise measure of the alternative manpower costs of manual methods of compiling, storing and retrieving the data. It is certain, however, that these costs would be high.

DEPARTMENT OF REGIONAL ECONOMIC EXPANSION—CHANGE IN PERSONNEL AS A RESULT OF USE OF COMPUTERS

Question No. 460—**Mr. Robinson:**

As a result of the use of computers by the Department of Regional Economic Expansion how many employees have been (a) laid off (b) hired?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): (a) None; (b) 29.

REPAYMENT BY BOTSWANA OF $20 MILLION LOAN

Question No. 505—**Mr. Rodrigue:**

1. What are the required conditions for repayment by Botswana concerning the $20 million loan made to that country?

2. What is the rate in interest for this loan?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. This loan has a life of 50 years and a ten-year grace period with semi-annual payments of $250,000 beginning on March 31, 1981.

2. There is no interest charge on this loan.

SALE OF "NO RETURN" DISPOSABLE GLASS BOTTLES

Question No. 566—**Mr. Mather:**

Is consideration being given to the request of the Consumers Association of Canada to make the sale of "no return" disposable glass bottles unlawful?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The government is concerned over all types of solid waste pollution, including that attributable to non-returnable bottles. Most non-returnable bottles are sold within a province in a limited geographical area and do not enter into interprovincial trade and are therefore readily controllable by provincial government.

[Mr. Sharp.]

IMPORTATION OF BUTTER

Question No. 572—**Mr. Lambert (Bellechasse):**

Has Canada imported butter during the past twelve months and, if so (a) in what quantities (b) from what countries?

[*Translation*]

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: From October 1969 to September 1970 inclusive, Canada's imports of butter were as follows:

Country	Quantity (cwt)	Value ($'000)
Belgium & Luxembourg	19,115	440

All of the butter imported from Belgium and Luxembourg during the above-mentioned period was processed into ice cream and exported from Canada.

[*English*]

NUCLEAR POWER—SAFETY ASSURANCES FROM U.S. WITH RESPECT TO IODINE-131

Question No. 611—**Mr. Forrestall:**

Has the government sought safety assurances from the United States with respect to Iodine-131 which results from exhaust gases from nuclear reactors and associated fuel processing plants that could be carried over to Canadian soil from nuclear plants programmed for construction during the next ten years on the shores of the Great Lakes?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Atomic Energy Control Board reports as follows: The United States Atomic Energy Commission routinely transmits detailed information to the Atomic Energy Control Board on nuclear-electric generating stations which are planned for construction on the shores of the Great Lakes or elsewhere along the common Canada/-U.S.A. national boundary. This data is available for AECB evaluation and comment. All waste materials accumulated as by-products of the operation of a U.S. nuclear-electric plant whether gaseous (including Iodine-131) liquid or solid are subject to stringent regulations concerning handling and disposal. These rules may be found in Title 10 of the U.S. Code of Federal Regulations, and, as for most countries, are based on the standards recommended by the International Commission on Radiological Protection, the world authority in this field.

RELOCATION OF CRUSTAL GEOLOGY DIVISION, GEOLOGICAL SURVEY OF CANADA

Question No. 637—**Mr. Forrestall:**

1. Is the government considering a transfer from Ottawa of the Appalachian, Eastern Lowlands and Atlantic Margins Branch of the Crustal Geology Division, Geological Survey of Canada and, if so (a) what locations are being considered (b) for what reason is the transfer being considered (c) when will a decision on this move be announced?

2. Has this Branch ever been located in an area other than the National Capital Region and, if so (a) where was the Branch located (b) when was it transferred to Ottawa (c) for what reason was it transferred?

3. How many employees does this Branch now have?

4. Would all employees be expected to transfer to any new location being considered and, if not (a) what categories of employees would not be expected to move (b) for what reason (c) would they be assured other jobs in the Public Service without a reduction in salary?

5. What is the current annual budget for this Branch and what portion is allotted for salaries?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): 1. A study has been underway for several months in the Department of Energy, Mines and Resources in an attempt to determine how the Department might best fulfill its scientific and regulatory roll in Eastern Canada and along the Atlantic Margin. In view of recent redistribution of functions within departments no plans could be definitely formulated. One of many proposals under consideration involves the transfer of some staff concerned with eastern activities on the Crustal Geology Division to the east coast. (a) The only location so far considered is at the Bedford Institute, Dartmouth, Nova Scotia. (b) Such a move is being considered to coordinate departmental activities related to increased offshore exploration. (c) Hopefully before the start of the next fiscal year.

2. (a) Two scientists of the Section (the "Branch" referred to in the question) were previously located at the Bedford Institute. (b) One scientist resigned and the second transferred to Ottawa in 1968. (c) The scientist concerned required a closer association with his scientific colleagues and better access to the scientific services provided in Ottawa.

3. Twelve continuing positions including nine scientists and seven man-years of casual employees, mainly summer students in geology.

4. According to the one proposal all would transfer.

5. $277,000 of which $228,000 is for salaries and wages.

Mr. Korchinski: Is No. 606 not to be answered, Mr. Speaker?

Mr. Jerome: Mr. Speaker, on the previous occasion when questions on the Order Paper were considered the hon. member who has asked question No. 606 made a similar inquiry. He has referred to the question again today. May I say briefly that the Canadian Wheat Board regrets the delay in answering the hon. member's question. The question is rather involved and the reply warrants extensive research. However, the reply is in the final stages of preparation and I will do my utmost to give the matter priority and see if we cannot bring down the answer on Monday next.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

NATIONAL CAPITAL COMMISSION—LAND OUTSIDE CITY OF OTTAWA

Question No. 272—**Mr. Paproski:**

1. What lands and properties are (a) owned (b) leased (c) administered by the National Capital Commission in the Capital region outside the City of Ottawa?

2. Of the lands owned, which were acquired by (a) sale (b) expropriation?

3. Of those lands acquired by sale or expropriation, when were transfers made and, what was the price (a) per acre for land (b) per square foot for property?

Return tabled.

PRICE INCREASE REPORTS RECEIVED BY PRICES AND INCOMES COMMISSION TO OCTOBER, 1970

Question No. 289—**Mr. Orlikow:**

1. How many price increases have been brought to the attention of the Prices and Incomes Commisison to the end of October 1970?

2. How many price increases or changes have been reported by companies, and how many have been reported by private individuals?

3. For each price increase report received by the Commission (a) what was the result of the initial investigation (b) what criteria were used in the evaluation of these price increases?

4. Of the total number of price increase reports received by the Commission (a) how many have been subjected to a preliminary investigation (b) how many have been subjected to a full-scale price review?

5 What criteria were used by the Commission for undertaking a comprehensive and full-scale price review into the particular price increase announced?

6. What is the breakdown, by product group, of all price increase reports received by the Commission to the end of October, 1970?

Return tabled.

ADOPTION AND DESIGN OF LOGO SYMBOL

Question No. 420—**Mr. Hales:**

1. On what date was the logo adopted by the Department of (a) Consumer and Corporate Affairs (b) Industry, Trade and Commerce (c) Labour (d) Manpower and Immigration (e) National Health and Welfare?

2. Was it designed by the Department or an outside consultant?

3. If it was designed by a consultant, what was the fee charged?

Return tabled.

• (2:10 p.m.)

Mr. Howard (Skeena): Starred question No. 40, relating to the so-called information leak in regard to the interim report of the LeDain commission, has been on the Order Paper since October 8, and the leak occurred some time last spring. I raised this matter before Christmas. At that time either the minister of his parliamentary secretary said they would look into it and provide an answer. Would they mind taking another look?

Mr. Jerome: I will certainly undertake to do that and make a statement about it on the next day.

Motions for Papers

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Notices of Motions Nos. 44, 157 and 167 are acceptable to the government.

REPORT BY D. W. CARR AND ASSOCIATES REGARDING FUTURE ROLE OF SEAWAY IN CANADA'S RURAL TRANSPORTATION

Motion No. 44—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the consultant report by D. W. Carr and Associates of Ottawa, prepared for the St. Lawrence Seaway Authority regarding the future role of the Seaway in Canada's rural transportation.

Motion agreed to.

FEASIBILITY OF ESTABLISHING PUBLIC LIFE INSURANCE PLAN

Motion No. 157—**Mr. Rowland:**

That an Order of the House do issue for copies of all correspondence between the Department of Consumer and Corporate Affairs, the Department of Finance, the Minister without Portfolio responsible for Housing and Mr. Sydney Bell, C.L.U., Managing Director, Insurance and Financial Consulting Service, Winnipeg, Manitoba, concerning the feasibility of establishing a public life insurance plan.

Motion agreed to.

CARR STUDY REGARDING ST. LAWRENCE SEAWAY

Motion No. 167—**Mr. Douglas (Assiniboia):**

That an Order of the House do issue for a copy of the Carr Study or Report regarding the St. Lawrence Seaway.

Motion agreed to.

Mr. Jerome: Mr. Speaker, would you be so kind as to call Notice of Motion No. 37?

STUDY BY TIM RYAN FOR DEPARTMENT OF MANPOWER AND IMMIGRATION

Motion No. 37—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the study by Tim Ryan, Port Arthur, Ontario, undertaken for the Department of Manpower and Immigration regarding "Evaluation on the activities of the CNR-ILA Joint Committee at North Sydney, Nova Scotia".

Mr. Chas. L. Caccia (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, the study referred to in this motion is not yet completed and the author is doing further work on it at the department's request. When it is completed, consideration will be given to tabling the report. In the meantime, therefore, the member may wish to withdraw this motion.

Mr. Orlikow: I wonder if the government would consider leaving it on the Order Paper until the report has been completed. They can then make a decision on whether they are prepared to table it.

Mr. Speaker: Is it agreed that the motion be allowed to stand?

Some hon. Members: Agreed.

Motion stands.

Mr. Speaker: Shall the remaining Notices of Motions stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

MANPOWER

SUGGESTIONS FOR SUMMER EMPLOYMENT OF YOUTH

Hon. George Hees (Prince Edward-Hastings): I wish to direct a question to the Minister of Manpower and Immigration. In working out the government's $50 million program for providing employment for our youth this summer, is the government giving consideration to employment in reforestation, cleaning up our salmon spawning beds and other waterways and partially subsidizing the wage cost of employment on farms, as well as other healthy and useful work, so that our young people may be constructively employed in work that is useful to the economy?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, without accepting the premise of the hon. member's question, the work which is being done on the question of student unemployment involves an examination of all ideas which come forward and seem to be reasonable. I previously made it clear to hon. members that I welcome their suggestions whenever they seem to have an air of reason about them.

Mr. Hees: In considering constructive jobs that will or might be available for young people this summer, does the minister consider that there will be sufficient of this kind of work available so that it will not be necessary to send our unemployed youth throughout the country on free bus tours as is presently planned by the government?

Mr. Speaker: Order, please.

RETRAINING PROGRAM—NUMBER OF APPLICANTS NOT ACCEPTED UNDER PRESENT REGULATIONS

Mr. David MacDonald (Egmont): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. In light of the concern and possible confusion with respect to the effectiveness of the manpower retraining program to deal with substantial numbers of unemployed during this period of high unemployment, is the minister able to give to the House today in short form or is he prepared to make a statement on motions as to the number of people who have applied for training and assistance under the manpower training program and

have not been able to qualify under the present regulations?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I would be glad to give very serious consideration to the question of whether I can put together figures along the lines suggested by the hon. member in order to make a statement on motions.

* * *

OIL

FEASIBILITY OF CONSTRUCTING PIPELINE FROM WESTERN CANADA TO MONTREAL—COMMITMENT TO UNITED STATES RESPECTING SECURITY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to direct a question to the Minister of Energy, Mines and Resources. It arises out of the report that there is likely to be an increase of at least two cents a gallon in gasoline prices east of the Ottawa valley. In view of the fact that the reason given for this proposed increase is the rise in price of offshore oil, may I ask the minister whether this price increase now makes it more feasible from the minister's point of view to consider the extension of the pipeline east to Montreal?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): We are not yet certain what offshore oil prices will be subsequent to the negotiations between the producer countries and the oil companies which are now under way. We do know that tanker prices have gone up very considerably in the current year and this, of course, lends itself to higher prices for offshore oil. But from the standpoint of the economic feasibility of extending the pipeline there is no certainty that oil prices will be such as to render such a project economic. If it is economic, I feel sure that the private sector will consider the construction of such a pipeline, and the government would certainly consider seriously any suggestion that a pipeline would be economic once offshore prices are determined.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the statement made by President Richard Nixon that Canada will have to satisfy United States security arrangements under its mandatory oil import program before the United States will be prepared to grant free access of Canadian oil to the United States market, has the Canadian government made any commitment as to the way in which this security is to be provided, and is the extension of the pipeline to eastern Canada part of this program for guaranteeing security as requested by the President of the United States?

Mr. Greene: We have made no commitments with regard to a pipeline or security. This is one of the concerns of the United States in connection with opening up the oil market to our western oil, and they pay a very heavy price for this security. But the Canadian position has been and will and, I think, should continue to be that question of security affecting Canada should be Canadian decisions. What the United States deems to be security and what Canada deems to be security might well be two different things, and our constant representation to the United States has been that we shall make the decision in Canada as to what we deem to be security for Canadian sources of supply. We feel sure that decision will meet with the approval of the United States, as it will be a Canadian decision made in the Canadian interests and should satisfy the Americans, but it will not be made by the Americans for Canada.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since the decision as to what is in the best interests of security for Canada ought to be determined by parliament, will the minister reconsider his decision not to make available all the data to the appropriate committee of the House so that members may have an opportunity to examine the feasibility study which has been undertaken and determine whether or not an extension of the pipeline would be feasible in Canada's interests?

Mr. Greene: Mr. Speaker, I think I said previously that the government and several of its departments have the question of the cost of a pipeline and its feasibility under continuing review. But we have maintained throughout that in keeping with the practice in Canada, which I think has been a highly successful one that has brought prosperity to the oil and gas industries and has contributed to the well-being of Canada as a whole, the decision as to construction of pipelines or no will be made by the private sector. All pipelines in Canada are owned by the private sector, not the public sector. Therefore we do not really have a comprehensive survey as such, as to the economic feasibility and viability, of such a pipeline—

Mr. Speaker: Order, please.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a supplementary question for the minister. The minister set out some economic facts and partly answered the question a few moments ago, but I should like to know whether there is any study now being made under the sponsorship of the government regarding the economic feasibility of a pipeline to the Montreal market from western Canada? Is this just a matter of guesswork or is there any study being made so that the minister can provide some economic facts?

Mr. Greene: Mr. Speaker, there is no complete, comprehensive study as such. Under the law in Canada, anybody who wished to build a pipeline would make a presentation to the National Energy Board who, with the knowledge and information they have of a continuing character, would determine the feasibility of such pipeline and would then make a recommendation to the government. It is in this way that such a decision would be made under existing Canadian law.

Mr. Woolliams: A further supplementary question, Mr. Speaker. I hope Your Honour does not regard this question as argumentative because I am seeking knowledge from the minister. How, then, can the minister set out the economic facts as to the feasibility of such a pipeline if there is no study on which to base those facts?

Mr. Speaker: Order. I think I would have to regard that question as at least slightly argumentative.

Inquiries of the Ministry

SECURITY OF UNITED STATES TRANSPORTATION ROUTES—ANTI-SUBMARINE PATROLLING

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a supplementary question for the Acting Prime Minister in his capacity as Secretary of State for External Affairs regarding the security of United States oil routes. In view of the fact that the United States Department of the Interior published earlier this month a study showing that the Alaska pipeline and the offshore tanker route would be entirely within United States hands and thus would be more secure than a pipeline passing through Canadian territory, would the minister please inform me whether or not the United States government has entered into discussions with the Canadian government with a view to handing over anti-submarine patrolling on the west coast of Canada to United States forces rather than, as is presently the case, leaving it to Canadian naval units?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Not as far as I am aware, Mr. Speaker.

FEASIBILITY OF CONSTRUCTING PIPELINE FROM WESTERN CANADA TO MONTREAL—APPEARANCE OF MINISTER AND NATIONAL ENERGY BOARD CHAIRMAN BEFORE COMMITTEE

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. The minister stated that he has no study to present to the House for us to examine. Since this is a most important matter for the Canadian people, would the minister and the chairman of the National Energy Board be willing to appear in the near future before the appropriate committee of the House to answer questions so that the Canadian people can become better acquainted with the facts surrounding this important matter?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, when the estimates of the National Energy Board are before the committee we would certainly be most pleased to appear. I reiterate that the question of the economic viability of pipelines in Canada is left to the private sector. It is not for the government to determine whether or not to build pipelines; that is not the way we operate.

Mr. Speaker: Order. I hesitate to interrupt the minister but perhaps at this point we might pass on to another subject.

* * *

[*Translation*]

NATIONAL PARKS

QUEBEC—ESTABLISHMENT OF PARK IN ST. MAURICE VALLEY—CONSTRUCTION OF SKI AREA AT ST. GERARD

Mr. René Matte (Champlain): Mr. Speaker, my question is addressed to the Minister of Indian Affairs and Northern Development.

Could he make a statement on the articles published in the Mauricie newspaper *Le Nouvelliste* which referred to one Hawai trip where the minister would have signed agreements with local businessmen with regard to a proposed ski centre in Saint-Gérard and the construction of an access road to the national park in the St. Maurice valley?

Mr. Speaker: Order. I suggest that this question could be placed on the order paper. If the hon. member considers this to be an urgent matter, perhaps he could send me notice so that it may be debated at the time of adjournment.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I rise on a question of privilege.

Mr. Matte: At ten o'clock, Mr. Speaker.

Mr. Speaker: Order. The minister on a question of privilege.

Mr. Chrétien: I wish to inform the hon. member that yesterday on its editorial page *Le Nouvelliste* extended its apologies to the Minister of Indian Affairs and Northern Development for these unfortunate suggestions, and—

Mr. Speaker: Order. The question of privilege is not in order.

Some hon. Members: Hear, hear!

* * *

BANKRUPTCY

REPRESENTATIONS BY QUEBEC MINISTER OF JUSTICE ON STUDY COMMITTEE REPORT

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a question I wish to ask the Minister of Consumer and Corporate Affairs.

Is the minister in a position to inform the House whether he has received from the Quebec Minister of Justice, on the subject of the Tassé report on bankruptcy, a communication in which the minister expressed his opposition to several points of the report and asked the federal minister for a further delay that would allow the Quebec officials to make their own comments on this report? If so, would he tell us what has been his answer to the Quebec Minister of Justice?

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am aware that there have been discussions between officials of the two departments but whether there has been formal communication I do not know. I have not seen any but I will certainly make an inquiry. If the Quebec government or anyone else wishes to make representations or comments on the report on bankruptcy and insolvency, naturally I will welcome those comments and representations whenever they may be made and will pay very careful attention to them.

REPORT OF STUDY COMMITTEE—EXTENSION OF DEADLINE FOR REPRESENTATIONS TO MINISTER BY PUBLIC

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the fact that many submissions may guide the minister in drafting the legislation, if it has not already been drafted, will he now indicate whether he is prepared to extend the time for receiving representations beyond January 31, as I asked him yesterday? In view of the fact the minister said that this government is interested in democracy, will he answer me point-blank and advise the House whether he is prepared to extend the time for submission of briefs before the legislation is to be drafted, namely, January 31?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, it is going to take a good deal of time to draft something so complicated as a revised Bankruptcy Act. Therefore it seems to me that during the time our people are working out this Bill there will be all sorts of opportunities to make representations. I certainly will receive these representations and look forward to paying attention to them as well as giving them a great deal of study.

Mr. Alexander: Mr. Speaker, I do not know why the minister finds it so difficult to answer such a simple question. The answer he has given me today is the same as he gave me yesterday. My question is simply this; is the minister prepared to extend the time from January 31 to some subsequent date? That is all I am asking.

Mr. Basford: Mr. Speaker, I do not understand why the hon. member has such difficulty in understanding the answer. I have obviously said twice that anyone is free to make representations at any time and I will be most interested in receiving them. That seems to me to extend the time.

Mr. Alexander: I have one further short supplementary question.

Mr. Speaker: Order, please. The Chair will recognize the hon. member on a supplementary question, but we should move on to another subject.

Mr. Alexander: As a result of the minister's evasion I should like to know whether I can now be assured that we can disregard the January 31 date at this time?

Mr. Basford: Mr. Speaker, I thought that is what I had said.

Some hon. Members: Oh, oh.

An hon. Member: No, you didn't.

Mr. Basford: But I should like people to get their comments in as quickly as they can because this would be helpful to me and the officials of my department.

Inquiries of the Ministry

INDIAN AFFAIRS

DIRECTIVE RESPECTING DENTAL SERVICES TO CHILDREN IN SCHOOL

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question arises from a directive sent out by the Department of National Health and Welfare in respect of Indian health services. Therefore I direct the question to the responsible minister, although I feel the Minister of Indian Affairs and Northern Development would also be interested. It refers to dental services to Indian children in school, and the following order is set out:

> We are only allowed to supply such prosthesis where it is considered that better than average education is contemplated or has been achieved by the student, and where the student's likely vocation will require inconspicuous dentition.

Is this government policy in respect of dental treatment for Indian students and, if so, will the minister act to remove this obvious discrimination?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker, I will look into that matter and reply later to the hon. member.

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DRUGS

REPORT OF U.S. FOOD AND DRUG ADMINISTRATION ON INEFFECTIVENESS OF CERTAIN PRODUCTS—REQUEST FOR STATEMENT ON CANADIAN ACTION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Minister of National Health and Welfare. Can the minister indicate to the House whether he is aware of the United States food and drug administration's recent report to the effect that 14 per cent of the over 16,000 drugs sold on the market were found to be ineffective? If so, would he make a statement on motions regarding what action he is contemplating inasmuch as the same drugs are sold on the Canadian market?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, I am aware generally of the matter in the United States referred to by the hon. member. Although I have made a statement previously, I would be prepared to consider making another one later.

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AIR TRANSPORT

POSSIBILITY OF SERVICE BETWEEN CANADA AND PEOPLE'S REPUBLIC OF CHINA

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Are discussions or negotiations going on at the present time, or about to start, between Canada and mainland China with a view to having a Canadian air carrier establish a route to mainland China?

Inquiries of the Ministry

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I do not know of any such negotiations between the governments of China and Canada since in fact our respective diplomatic representatives are not yet in place. It is quite possible there will be. I have seen the speculative stories in the papers relating to one air carrier. The Canadian government has not yet made up its mind whether that would be the chosen instrument.

Mr. MacLean: Mr. Speaker, might I ask the Secretary of State for External Affairs whether there was any reference to the establishment of such a service, or a reciprocal one between mainland China and Canada, when the negotiations were taking place with regard to the exchange of diplomatic representation?

Mr. Sharp: No, Mr. Speaker. Of course there were general assurances that we would want to promote intercourse between the two countries, but not other than that.

* * *

INDIAN AFFAIRS

ACCELERATION OF HOUSING PROGRAM IN VIEW OF UNEMPLOYMENT

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In view of the abnormally high unemployment rate in Canada, particularly among our native Indian people, can the minister advise the House whether he has any plans to accelerate the housing program on Indian reserves this winter?

Mr. Speaker: Order, please. I suggest to the hon. member that this kind of information should be given to the House by way of a general statement. The minister might indicate whether he proposes to make a statement in this regard.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I do not intend to make a statement about this matter. However, I might say to the hon. member that I have asked the officials of my department to hasten this project in order to supply Indians with employment this very winter, and we hope this program will be proceeded with more quickly than it has been anticipated.

[*English*]

Mr. Simpson: Mr. Speaker, would the minister consider giving priority to cases where few, if any, houses have been constructed during the last two years?

Mr. Speaker: The hon. member is making a suggestion which he must assume will be taken into account.

[Mr. MacLean.]

EXTERNAL AFFAIRS

COMMONWEALTH CONFERENCE—PROSPECTS FOR REACHING AGREEMENT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. In view of the amount of press speculation concerning the possibility or probability of a basis of agreement being arrived at at the Prime Ministers' conference, is the minister in a position on the basis of the information he has to date, to assure the House that a reasonable prospect of agreement is apparent today?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have been awaiting further information from Singapore about the course of events. I am not yet in a position to give a detailed answer, but it would seem to me from what we know that it appears that there will be a favourable outcome to the conference and that the Commonwealth, as both he and I wish, will be maintained.

Mr. Diefenbaker: Mr. Speaker, I am of course entirely in agreement with that objective. After that rather uncertain answer in respect of not having full information, is the minister in a position to say whether the basis of agreement will be in the terms of a declaration that is before the Prime Ministers' conference?

Mr. Sharp: No, Mr. Speaker, I cannot give that assurance. I was referring particularly to the issue of South African arms.

* * *

PUBLIC SERVICE

REQUEST FOR ESTABLISHMENT OF DAY-CARE CENTRE IN DOWNTOWN OTTAWA

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the President of the Treasury Board. Has he received representations from the Public Service Alliance of Canada requesting the establishment of a day-care centre in downtown Ottawa for the purpose of assisting members of the Public Service, and will he give favourable consideration to this representation having in mind the strong recommendations of the Royal Commission on the Status of Women on this subject?

Mr. Speaker: Order. I suggest that the hon. member's question is in the form of a submission. To the extent that it is a question, I would not think it should be answered at this time.

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LABOUR RELATIONS

ASSISTANCE IN UNION-MANAGEMENT NEGOTIATIONS AT DUNLOP TIRE PLANT, WHITBY

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I have a question for the Minister of Labour. Has the federal Department of Labour taken any steps to offer assistance

in the negotiations presently going on between union and management at the Dunlop plant in Whitby? I ask the question in full realization of the jurisdictional problems that may be involved.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the hon. gentleman has answered his question. Under the constitution of Canada this is a provincial matter, and I am sure the Department of Labour of Ontario is quite capable, under its very efficient deputy minister, of looking after their own particular problems.

REJECTION OF NEGOTIATED SETTLEMENT BY CERTAIN RAILWAY SHOPCRAFT UNIONS

Mr. William Skoreyko (Edmonton East): Mr. Speaker, has the Minister of Labour received a communication from the secretary of Local 1233 of the United Transportation Union in Edmonton expressing its satisfaction with present negotiations with the railways in Montreal? Is he also aware that the railway shopcraft unions have rejected the terms of the negotiated settlement, and what action is the department taking to avoid a potential strike?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, it is a fact that some of the craft unions have rejected the collective agreement that was submitted to their members for ratification. Other shopcrafts have accepted. Under the constitution of division No. 4, which is the collection of these craft unions, they are now going through what is known as the moratorium period of 30 days during which the craft unions meet to iron out internal differences of opinion concerning whether or not the proposed collective agreement between division No. 4 and the railways should be ratified.

CONSIDERATION OF PENSION CHANGES IN NEGOTIATIONS BETWEEN RAILWAYS AND SHOPCRAFT UNIONS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, in view of the recent vote to which the minister has referred and in view of the dissension that has been created by the lack of inclusion of the pension changes recommended by the Standing Committee on Transport and Communications, would the minister say now whether or not he would personally intervene in the situation and try to get the railways to include this matter in the so-called bargaining process or accept some of the recommendations proposed by the committee?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the question of pensions in the recent negotiations between the shopcrafts and the railways is not at issue. They have opted to consider the whole question of pensions outside the process of collective bargaining.

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[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a question to the Minister of Regional Economic Expansion.

Inquiries of the Ministry

Could he tell us if he has definitely abandoned the idea of making a substantial grant to the Sno-Jet Company in Thetford Mines as he promised to do during the by-election campaign in Frontenac riding, if this riding would elect the Liberal candidate?

Mr. Speaker: I believe that the expurgated question could be put on the order paper.

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HIGHWAYS

MONTREAL—EAST-WEST EXPRESSWAY—DISCUSSIONS BETWEEN QUEBEC AND OTTAWA

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

Because of the importance of the project and of its effects on the employment situation in Montreal, could the minister make a statement in the House today in order to inform the public as to the provisions of the Quebec-Ottawa agreement concerning the East-West Highway in Montreal, and the use that will be made of the $68 million granted by the federal government. Otherwise, does the minister intend to table a detailed report on the matter in the House within the next few days?

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, Mr. Speaker.

Mr. Valade: Mr. Speaker, I have a supplementary question for the minister. Has the Quebec government indicated, or been required to indicate the minimum number of jobs which will be created with these $68 million, and whether the cost per job will be more than $5,000?

Mr. Marchand (Langelier): Mr. Speaker, the negotiations have been carried out with the Department of Finance and not with mine.

[*Later:*]

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

Mr. Speaker: The hon. member for Sainte-Marie on a point of order.

Mr. Valade: Mr. Speaker, when I put my question to the Minister of Regional Economic Expansion, he indicated that it was the responsibility of the Minister of Finance. I think that the latter should be called upon to answer this very pressing question for the people of Montreal.

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, on the question of privilege, I would simply refer the hon. member to yesterday's *Hansard*, page 2545, where I answered this question.

Inquiries of the Ministry

Mr. Valade: On a point of order, Mr. Speaker, the Minister of Regional Economic Expansion referred the question I asked him to the Minister of Finance for an answer. It is a very specific question concerning the minimum amount of employment that is going to be created by the $68 million to be applied to the auto route in Montreal. That is the question I asked and which was referred to the minister.

Mr. Benson: Mr. Speaker, again I point out that the question was answered yesterday at page 2545 of *Hansard*.

Mr. Valade: In that case—

Mr. Speaker: Order, please.

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UNEMPLOYMENT INSURANCE

ELIMINATION OF DELAY IN PAYMENT OF CLAIMS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Labour. Would the minister get in touch with the heads of the Unemployment Insurance Commission and see if he can do something to cut, untie or burn the massive administrative red tape which is delaying the payment of unemployment insurance claims at the present time?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I thank the hon. member for bringing this question to the attention of the House because it is one that is receiving much publicity these days. I met with officials of the Unemployment Insurance Commission this morning and found out that over 97 per cent of the claims are processed on time, which is a tremendous improvement over the situation two years ago. I know this is of little consolation to those involved in the 3 per cent of claims which are not always processed on time, but in 90 per cent of those cases the fault does not lie with the commission but with the employers or employees.

Mr. Nesbitt: Mr. Speaker, would the minister have further consultation with the commission and find out what they mean by "on time"? There is a great difference of opinion on that matter.

USE OF IMPREST ACCOUNTS BY OFFICES

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct a supplementary question to the Minister of Labour. In regard to those cases where delay has been caused by errors made by the officials in the unemployment insurance offices, would the minister not consider giving these offices an imprest account on which they could write cheques immediately rather than have to go through the area offices?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the suggestion is a very helpful one. It is being considered in light of the new legislation coming forward, and particularly closer relations with the welfare officers in many communities. It might be of interest to the House to know that last year we took to court and prosecuted 186 employers who callously held up the records of their employees, presumably causing intentional hardship to their employees. We have not hesitated to take legal action and have prosecuted—

Mr. Speaker: Order, please.

TORONTO—REPORTED DELAY IN PAYMENT OF CLAIMS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a supplementary question to the minister. I asked him several days ago if he would look into the situation in Toronto, which was widely reported in the Toronto press, concerning delays in the payment of claims. Has he looked into these cases, and what is the result?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I have looked into these cases and I would rather table the report or perhaps make a statement on motions later in the week. The hon. gentleman is quite familiar with the co-operation that is usually extended to him, particularly in his own riding, by officials of the Unemployment Insurance Commission, and I know he would be the last in the House to complain about their efficiency.

Mr. Hees: On a point of order, Mr. Speaker, I appreciate the way that the minister has usually handled these cases. That is why I found it hard to understand the delays in Toronto.

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INDUSTRY

MAINTENANCE OF OPERATION OF McBEAN COAL MINE

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Can he advise the House of the results of the meeting he had a few days ago with the Nova Scotia mines minister with a view to keeping the McBean coal mine in operation? May I also ask the minister whether he shares the view expressed by the Nova Scotia mines minister, namely, that he is totally behind the idea of keeping this mine open?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there is no decision in that regard yet. As the hon. member knows, the Donald report indicated that the McBean mine was not economically viable. With the increase in coal prices it may be that that decision should be reviewed. My department is in the process of considering the representations made by the Minister of Mines from Nova Scotia at the present time.

Mr. Muir: Mr. Speaker, in view of the fact that the mine is scheduled to be closed in March, and in view of the fact that every second person in the Atlantic region is unemployed at the moment, will the minister do his utmost to see that this mine continues to operate?

EXTERNAL AFFAIRS

ASSURANCE THAT INDIA HAS NOT PRODUCED WEAPON-GRADE PLUTONIUM

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Acting Prime Minister in his capacity as Secretary of State for External Affairs. Is he now in a position to reply to my question of last Thursday, January 14, when I asked for an assurance that India has not produced weapon-grade plutonium since the Canada-India reactor was supplied in 1960?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. In the 1956 Canada-India agreement for the provision of a nuclear research reactor the Indian government pledged that the reactor and the products resulting from its use would be used for peaceful purposes only. We have no evidence to suggest that the Indian government is not standing firm on the assurances it has given to Canada.

Mr. Ryan: Mr. Speaker, is the minister aware of the article by John Gellner in which he alleges that there is such a stockpile—

Mr. Speaker: Order, please.

* * *

THE CANADIAN ECONOMY

REPORT ON BUSINESS OUTLOOK IN BRITISH COLUMBIA

Mr. Frank Howard (Skeena): Mr. Speaker, I wish to direct a question to the Minister of Finance. It relates partly to the rosy picture which he and other ministers have painted during the past couple of days about employment possibilities. Has he seen a report which I received today from the government of the province of British Columbia about that province's business outlook for 1971, which points out that of 300 businessmen surveyed 65 per cent say there is going to be no improvement in employment this year?

Mr. Speaker: Order, please. The hon. member is asking the minister whether he has seen a certain report. A question in those terms is not quite acceptable.

Mr. Howard (Skeena): Mr. Speaker, I would like to rephrase the question. Has the provincial government been in communication with the minister pointing out these facts?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker.

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GRAIN

PARTICIPATION OF WHEAT BOARD COMMISSIONERS AND FARM ORGANIZATION REPRESENTATIVES IN NEGOTIATIONS ON NEW INTERNATIONAL WHEAT AGREEMENT

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I wish to direct a question to the minister in charge of the Wheat

Board. Can the minister inform the House whether or not commissioners of the Canadian Wheat Board and representatives of various Prairie farm organizations are assisting in the current negotiations at Geneva which it is hoped will lead to an acceptable new international wheat agreement?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Yes, Mr. Speaker. Two commissioners will be attending the meetings in Geneva in connection with these negotiations, and a group of leaders of farm organizations is also attending as part of the delegation.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, can the minister indicate whether any Canadian cabinet ministers will be present at some time during these negotiations in Geneva?

Mr. Lang: Mr. Speaker, at the present time there is no intention to turn these negotiations into a ministerial meeting.

NEGOTIATIONS FOR NEW INTERNATIONAL WHEAT AGREEMENT—CANADIAN POSITION ON GIFTS TO NEEDY COUNTRIES

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct a question to the minister in charge of the Wheat Board. In view of the fact that gifts of wheat to needy countries may be curtailed under a new world wheat pact, which would adversely affect Canada's export position, can the minister indicate to the House the position the Canadian delegation is taking with respect to this development in the current talks under way at Geneva designed to draw up a new world wheat pact?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Of course, Mr. Speaker, no conclusion has been arrived at with regard to what will be contained in any new agreement. The Canadian position with regard to food aid is so very strong and clear in favour of food aid that there is no doubt about our advocating the inclusion of such terms in any agreement at any time.

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CAPE BRETON DEVELOPMENT CORPORATION

AGREEMENT RESPECTING PAYMENT OF OVERTIME OUTSIDE CANADA LABOUR (STANDARDS) CODE

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of Labour. At the time the Department of Labour, Devco and the unions involved mutually agreed on an extension of time respecting the application of the Canada Labour (Standards) Code regarding overtime, was there any agreement arrived at respecting payment for overtime work outside that laid down by the Canada Labour (Standards) Code?

Inquiries of the Ministry

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I would have to qualify my answer by asking the hon. member to give me the right to verify my facts later today. I have not been fully aware of the matter, but normally if there had been any exemption with respect to the application of the Canada Labour (Standards) Code to Devco it would have been the result of a joint request by management and labour and not only by management.

Mr. MacInnis: Mr. Speaker, the minister has only repeated in his answer what I put in my question. I said there was a mutual agreement between the Department of Labour, Devco and the unions involved, but what I am asking the minister is whether, outside of the regulations laid down in the Canada Labour (Standards) Code, there was any arrangement respecting payment for overtime?

Mr. Mackasey: I would have to take the question as notice and find out.

Mr. MacInnis: As a further supplementary—

Mr. Speaker: Order, please. The Chair will recognize the hon. member for a further supplementary, but we are running short of time.

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IMMIGRATION

INQUIRY AS TO TABLING OF WHITE PAPER—AMENDMENTS AFFECTING IMMIGRATION APPEAL BOARD

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Manpower and Immigration. Some weeks before Christmas I asked him about the possible date of publication or tabling of the white paper on immigration and also for an indication regarding amendments to the Act concerning the Immigration Appeal Board. He indicated that this would be done soon in the new year. Could he tell us how much closer we are to that date?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, we are closer by the amount of time that has elapsed.

Some hon. Members: Oh , oh!

Mr. Lambert (Edmonton West): Mr. Speaker, in answering that question the minister has bitten just as he should bite. Will he now be more precise and indicate whether we are to see the legislation before Easter or is it going to come before us just before the June adjournment?

Mr. Lang: Mr. Speaker, I hope that it will be forthcoming earlier rather than later. Of course, many things have to be considered, including the whole question of the very important other business before the House.

[Mr. MacInnis.]

INQUIRY OF THE MINISTRY

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of National Health and Welfare in his capacity as the minister responsible for promoting sports in Canada and, more particularly, the Canada winter games which will be held in Saskatoon. I wonder whether, in promoting this event, he has yet had an opportunity to obtain his $2 ticket? I have one available if he wants it.

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REGIONAL ECONOMIC EXPANSION

CHURCHILL FOREST INDUSTRIES—FULL INQUIRY BEFORE PAYMENT OF MONEY BY FEDERAL GOVERNMENT

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. In view of the serious allegations which have been made concerning the Churchill Forest Industries complex at The Pas, Manitoba, and the involvement of the present and former provincial governments in these matters, can the minister assure the House that no federal government money will be paid to that project until a complete inquiry has been carried out by the federal government?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the subsidies will be granted according to regulations. It seems to me that if all regulations are complied with, the requests will be followed up by the department. If they are not, the subsidies will be stopped.

* * *

[*English*]

GRAIN

PRODUCTION AND RECEIPTS POLICY—NEW COMMITMENTS —MEETINGS WITH SASKATCHEWAN AND ALBERTA GOVERNMENTS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the minister in charge of the Wheat Board. Following the reported meeting of the minister and the Manitoba Minister of Agriculture and provincial officials, can the minister tell the House if there was any undertaking to make any new commitments with regard to the proposed stabilization plan other than the proposed transfer of moneys paid under the present Temporary Wheat Reserves Act? Also, does the minister intend to have meetings with the governments of Saskatchewan and Alberta?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, there were no new commitments and nothing in the form of a final decision. I think the discussions were, as ever, very useful. We propose to have meetings with all the Ministers of Agriculture of the Prairie provinces together on some occasion. I think the date has now been set. I am also prepared to meet with them individually whenever this may seem to be helpful.

REGIONAL ECONOMIC EXPANSION

ESTABLISHMENT OF CROWN CORPORATIONS IN PROVINCES

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. In an effort to catch up on some outstanding matters before the Prime Minister returns, can the minister now answer the question I asked before Christmas with regard to when the first Crown corporation will be set up in the provinces to deal with regional expansion. If it has not been set up, will he say when it will be?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): I have really no idea at this time, Mr. Speaker.

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[*English*]

HEALTH

CHALLENGE OF GOVERNMENT'S POWER TO REGULATE USE OF CYCLAMATES IN FOOD

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of a British Columbia canning firm's challenge of the federal governments power to regulate cyclamates in food, will the minister inform the House as to the nature of the stand that the federal Department of Justice will take on this matter?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, as the hon. member knows and as he himself has stated, this matter is before the courts. Therefore I cannot say anything about it at this time.

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LABOUR RELATIONS

OPPORTUNITY FOR PARLIAMENT TO DEAL WITH CONVENTIONS ADOPTED BY INTERNATIONAL LABOUR ORGANIZATION CONFERENCE

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Labour. I gave notice of it to his Parliamentary Secretary. When will parliament have the opportunity to deal with conventions supported by this country and adopted last October at the conference of the International Labour Organization in Geneva?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I thank the hon. gentleman for his usual courtesy in giving me notice of his question. I investigated this morning and discovered that the conventions were adopted recently at the ILO conference. These conventions will be tabled in the usual manner in the House within the next few weeks.

Inquiries of the Ministry

SPORTS

1976 OLYMPIC GAMES—CANADIAN POSITION ON PRINCIPLE OF NO RACIAL DISCRIMINATION

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Considering the firm decision of the International Olympics Committee to adhere rigidly to the principle that there shall not be racial discrimination in sports, can the minister give some indication to the House of the position to be taken by the government on that principle so far as the 1976 Olympic games are concerned?

Mr. Speaker: Order, please. I would think that a statement in this regard could be made on motions, and not necessarily today.

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POLLUTION

GRANTS OR LOANS TO INDUSTRIES AND MUNICIPALITIES TO COPE WITH PROBLEM

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, my question is directed to the Minister of Finance. In view of the added costs that pollution control represents for industry and in view of the unhealthy effects these costs can have on industries and municipalities, will the government make grants or low-interest, long-term loans available to industries and municipalities in order to help them to cope with this problem?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, action is presently being taken under CMHC to help the municipalities. The general question of industry and pollution will be dealt with by the new minister of the environment. We shall be looking forward to recommendations from him.

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LABOUR CONDITIONS

REPORTED UNFAIR PRACTICES BY FRANK HILL LIMITED—REHIRING OF MEN FIRED

Mr. Leonard Hopkins (Renfrew North): Mr. Speaker, my question is for the Minister of Labour. Has the minister anything to report with regard to my request yesterday that his department investigate the complaint about unfair and highhanded labour practices on the part of a paint contractor presently engaged under a Defence Construction Limited contract at Canadian Forces Base, Petawawa?

Mr. Speaker: Order, please. I doubt whether that is a question which ought to be asked at this time. I would think that the hon. member could obtain that information by giving written notice or by having the matter considered at the time of adjournment.

Northern Canada Power Commission Act

SOCIAL SECURITY

CONFERENCE WITH PROVINCIAL MINISTERS—REPORT OF SENATE COMMITTEE ON POVERTY

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the very important conference which the minister is to hold with the provincial ministers on the twenty-fifth with regard to social security, can he advise us if he has received the report of the Senate Committee on Poverty as it will have such serious implications for the conference?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker. To my knowledge the report of the Senate Committee on Poverty has not been completed.

Mr. Speaker: Orders of the day.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, may I direct a supplementary question to the Minister of National Health and Welfare?

Mr. Speaker: Order, please. The hon. member for Simcoe North wishes to ask a supplementary question. With the consent of the House, perhaps the hon. member might be allowed to ask his supplementary.

Some hon. Members: Agreed.

Mr. Rynard: Mr. Speaker, can the minister tell us why the kind of assistance provided to welfare recipients cannot also be provided for old age pensioners who, because of government policy, have joined the ranks of the poor?

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

NORTHERN CANADA POWER COMMISSION ACT

AMENDMENTS RESPECTING MEMBERS FUNDS FOR INVESTIGATION OF PROJECTS, ADVANCES FOR CAPITAL EXPENDITURES

Hon. Allan J. MacEachen (for the Minister of Indian Affairs and Northern Development) moved that Bill C-193, to amend the Northern Canada Power Commission Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

• (3:00 p.m.)

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the Northern Canada Power Commission is a Crown corporation operating under the authority of an act of Parliament known as "an act respecting the supplying of electrical power and other public utilities in northern Canada".

[Mr. Speaker.]

Mr. Nielsen: I rise on a point of order, Mr. Speaker. I do not think the Parliamentary Secretary should begin by misleading the House. I do not charge him with doing this intentionally. The NCPC is not a Crown corporation, but a Crown agency.

Mr. Speaker: Order please. That is not a point of order. I suspect that the hon. member will be taking part in the debate. He may want to make the point at that time.

Mr. Buchanan: Created in 1948 as the Northwest Territories Power Commission, its name was changed and its operations expanded by an amendment in 1956. The commission is empowered to survey utility requirements and to construct and operate public utility plants in the Northwest Territories and Yukon Territory. The act provides that the commission is responsible to and subject to the direction of the Minister of Indian Affairs and Northern Development and the governor in council. In particular, the rates charged the general public by the commission are subject to approval by the governor in council. In addition to the commission's facilities, there are small government-owned installations in the north operated by departments of the federal government or by the territorial government which supply power to airports and smaller communities throughout the territories.

The federal government, largely through the Northern Canada Power Commission, owns approximately 75 per cent of the generating capacity in the north, with 10 per cent being controlled by three private utility companies and 15 per cent being controlled and operated by private organizations primarily associated with mining operations. During its first fiscal year of operation, the commission's operating budget totalled approximately $231,000. Consistent with growth in the north, the commission's operating budget this year will exceed $10 million. In the ten-year period 1961 to 1970, the generation of electric power by the commission has more than tripled, from 120 million to 383 million kilowatt hours. In 1961 the commission operated 10 plants; today it operates 22 plants in 20 locations. During this period gross revenue has increased from $3 million to $9.7 million. It can therefore be said that the commission has kept pace with northern growth. In these exciting days of northern development, the commission finds itself on the threshold of a new and accelerated period of expansion.

The private utility companies in the north are mainly involved in retailing power to a number of communities and do relatively little generation of power. These private companies are virtually free to set their own rates. At present there are no territorial utilities commissions in operation which would be responsible for regulating their rate-setting practices and reviewing their profit margins. In the Northwest Territories a territorial ordinance was passed in 1963 authorizing the establishment of a public utilities board, but this board has not yet been set up. A similar ordinance died on the other paper of the Yukon Council in 1968.

The Yukon Electrical Company Ltd. is a private utility company concerned with the generation and distribution of power in the Yukon. In 1958 the company became a wholly-owned subsidiary of Canadian Utilities Limited

which is currently controlled by International Utilities Corporation. As of January, 1969, the Yukon Electrical Company distributed power to 2,642 of the Yukon's 3,000 domestic customers, and to 741 of the 925 commercial and industrial consoumers. Gross commercial power generation in the Yukon in 1968 amounted to about 103 million kilowatt hours, 90 per cent of which was generated by the Northren Canada Power Commission. The Yukon Electric Company Ltd. registered sales of 55 million kilowatt hours in 1968, of which 46 million kilowatt hours were purchased from the NCPC at wholesale rates for subsequent distribution.

In the Northwest Territories, Plains Western Gas and Electric Company Ltd. distributes NCPC-generated power in Yellowknife under a franchise granted by the city of Yellowknife. The company has no generation or transmission facilities of its own. Northland Utilities Ltd., also controlled by International Utilities Ltd., operates generating and distribution facilities in three communities in the Northwest Territories—Hay River, Fort Providence and Enterprise. Northland Utilities Ltd. accounts for approximately 6 per cent of the territories' commercial electricity production. As in the Yukon, the bulk of commercial generating capacity in the Northwest Territories is currently being supplied by the Northern Canada Power Commission.

The act we are considering today, Mr. Speaker, was last amended in 1956. It is being amended at this time so that the commission can adopt a more flexible approach in meeting northern needs and in planning future long-term power development in both territories. The proposed amendments are as follows—: One, to increase the number of commission members by two. Two, to change the amount of the investigation or studies' fund from $50,000 to $250,000. Three, to allow the commission to set regional rates rather than to charge on the basis of individual plants costs. Four, to allow the commission to defer repayments of principal and interest where new capacity is in excess of immediate demands. Five, to eliminate the requirement that the commission obtain governor in council approval to undertake any project or enter into any contract in excess of $50,000.

The first amendment deals with commission membership. At the present time the commission consists of a chairman and two members appointed during pleasure by the governor in council on recommendation of the Minister of Indian Affairs and Northern Development. Appointments have traditionally been made from within the public service. There is a continuing requirement for close liaison and co-ordination with the Department of Indian Affairs and Northern Development, as well as with other departments, particularly the Department of Finance and the Department of Energy, Mines and Resources. Therefore, I believe that this practice should continue in the foreseeable future for those three members.

The minister had stated on several occasions that there is a need to involve northern residents to the fullest extent in the developments that are now taking place and will continue to take place on a steadily increasing scale in the years ahead. It is proposed at this time to increase the membership from three to five in order to provide for appointment of a member from each of the northern territories. These appointments will be made on the recommendation of the commissioner in council of each territory. They will allow the commission to benefit from the local knowledge which such members will bring to it. In this way the commission will be more closely related to the territorial councils and will be more readily responsive to the requirements of the residents of the Yukon and Northwest Territories. I believe this to be of the greatest importance at this time in the development of northern Canada.

The second amendment is with regard to advances for investigations. Section 14(1) of the act now provides $50,000 as a fund for the purpose of meeting expenditures incurred by the commission in carrying out engineering and other studies in accordance with section 13 of the act. This amount is being increased to $250,000 to permit studies and investigations more in keeping with the growing scale of development projects in both territories.

• (3:10 p.m.)

The Northern Canada Power Commission, under the present terms of the act, is bound to set rates which will ensure that individual plants in each locality, no matter how small, are operated on a self-sustaining basis. Consequently, rates changed by the commission for utilities supplied must provide sufficient revenue to cover all costs attributed by the commission to that plant, including interest on investment, repayment of principal over a period of years, operating and maintenance expenses and a contingency reserve.

This rate structure is too restrictive in light of the present and future size of the commission's operations. The proposed amendment would allow more flexibility in setting rates. Most provincial utilities already enjoy some similar measure of flexibility. Rather than operating each plant on a self-sustaining basis, the commission would in future be allowed to base its rates on regional costs and to work toward some measure of rate equalization where this is felt to be desirable. Thus, the commission would be permitted to take regional differences into account, to consider the system's energy links and to preserve equity in establishing rates within natural areas and power grid zones.

It is a well-known fact that transmission lines and grids have no territorial boundaries. It is essential for the orderly development of the north that administrative boundaries do not prevent efficient and sensible steps being taken to help both territories. By encouraging the interchange of electricity the commission can take full advantage of economies of scale within the north's three major economic regions—the Yukon, the Mackenzie and the eastern high Arctic. Also, there is and most likely will always be a mutual benefit to both territories by reason of electrical interconnection between the two. A power plant in the Yukon may be generating energy which is consumed in the Northwest Territories and, conceivably, in the adjacent provinces to the south.

Mr. Speaker, It should always be remembered that the Northern Canada Power Commission is a public corporation operating in the public interest and bringing the benefits of low-interest borrowing and profit-free power to northerners. The commission does not seek a profit. It seeks to provide power at the most economical cost to its customers, three of whom are private distributing utilities. Therefore, its rates are based on costs. It is only logical that they be averaged within the regions and that there be some latitude to average costs throughout the system without excessive subsidies to high-cost regions at the expense of low-cost areas. This requires that the commission be given latitude, and the proposed amendments are designed to provide that latitude. However, the commission's schedule of rates will still remain subject to approval by the governor in council.

Also, the presence of territorial representatives on the commission, the minister's accountability to Parliament for the commission's activities, and the continual and close scrutiny of the Auditor General, provide the necessary safeguards. Power being produced and distributed by the public sector in the north will continue to serve the public interest. Further scrutiny by a board or committee responsible to the minister would, therefore, appear to be unnecessary as far as the commission is concerned.

I turn, now, to advances for capital expenditures. In developing power for relatively small markets it is sometimes necessary to build a plant which has capacity not immediately usable. A dam which will generate more power than can be used immediately might work at half load, for example. Such a situation would result in very high power rates under the present law. The amendments before us would allow deferral of part of the capital investment until load has increased to take up the capacity. Such deferral would require the approval of the governor in council.

Currently, the commission is required under section 16(3) of the act to commence payments of both principal and interest immediately following completion of a project, except that the principal portion of the first two instalments, which usually are relatively small amounts at that stage, may be deferred. In the Yukon, for example, extensive studies carried out over the past four years indicate that a large capacity power site may be required to enable orderly development and economic stability in the long-term supply of electrical energy. The only sites which offer long-term price stability are those which involve a relatively high capital cost for initial development.

The commission's capacity additions over the past few years have been based on a low capital cost consistent with dependability during the period of gradual load growth so as to cater to this concept of larger capacity installations. The addition of one or two large-scale mining developments, however, would triple or quadruple present power demand in the Yukon and would likely justify the initial development of a least one large scale installation within the next five years.

In connection with the approval of contracts, section 6(3) of the act requires the commission to obtain the approval of the governor in council to undertake any project or enter into any contract in excess of $50,000. While the proposed amendment to the act would delete section 6(3), the commission would still be subject to government contracts regulations under the Financial Administration Act, which limit entry into contracts without Treasury Board approval to $100,000 for construction contracts and $50,000 for purchase contracts. Thus, there will still be adequate review by Treasury Board of contracts entered into by Northern Canada Power Commission.

I wish to deal, now, Mr. Speaker with the question of surplus funds. Any surpluses or profits generated remain with the Northern Canada Power Commission system to the ultimate benefit of its consumers. Thus, profits are not drained off as a source of revenue to the federal government nor to other parts outside the north. Surplus funds may now be held for six months, after which time the commission may reduce rates or use surplus funds for the expansion or improvement of that plant in respect to which such surplus funds accrued.

Under the proposed amendments, surplus funds could be used to benefit the entire system rather than the individual plant in respect to which such surplus funds accrued. Again, the objective is flexibility. However, I should insert a few words of explanation as well as of caution here. There is a tendency to think that rate equalization will lead to two results. First, that rates in the smaller, higher-cost communities will be lowered by applying surpluses earned in the larger, more profitable communities until rates are equal across the board. Second, that the more industrialized regions in the west will be expected to carry much of the cost of supplying service to the eastern Arctic. If applied without thought or planning, this could be the outcome, but this approach will not be taken.

The policy of the commission will be to set rates on a regional basis with the Yukon and Northwest Territories regions, possibly encompassing areas beyond their political boundaries but within their economic development zone. Thus, consumers in Whitehorse or Yellowknife, for example, will not directly support the cost of electricity in communities literally thousands of miles away.

The precise boundaries of the regions should be left to the commission to determine. This will be one of the more important contributions that the new territorial members will be able to make. It must also be recognized that flexibility must be maintained so that extensive areas of the north can take advantage of the future development of large generating facilities capable of serving and, indeed, requiring the markets of more than one region.

I must also caution against great expectations or great apprehensions. As in southern Canada, rate equalization cannot be taken to the extreme and a uniform rate set throughout a whole region. Consumers in a lower-cost community expect to receive, and indeed should receive,

part of the cost benefit available. Thus, the rates in a larger community will not be increased by any substantial amount—indeed, in some cases it may not be necessary to increase them at all—while those in the smaller communities should not expect their rates to come tumbling down. There will be reductions possible in some regions, but do not expect miracles. I want to emphasize that the policy of regional rates will be applied in a sensible and fair manner. Some of the extreme suggestions already made about this new approach are gross exaggerations of the manner in which the commission will carry out its responsibilities to the public.

The commission's annual report for the fiscal year ending March 31, 1970, showed a total surplus of $1.19 million. The bulk of these surplus funds resulted from operations of the Whitehorse plant which commenced supplying the Anvil Mine with electrical energy in August, 1969. Under section 16(2)(a) of the act, repayment of principal and interest need not be commenced until the year following completion of a capital budget, and in the case of Whitehorse it was decided not to commence repayment of the loan—$10 million for the addition of new generating capacity and transmission facilities—until this year. The surplus has been delegated to surplus and contingency funds, consistent with good financial management practice, wherein it will be available for further plant improvement.

Consideration was given to applying a portion of this surplus to effect a rate reduction to customers, in this case the Yukon Electrical Company. However, part of this surplus will be required in the near future to provide peaking capacity and other plant improvements. It was therefore decided to delay action in this regard until the situation became a little more clear. There would be little point in lowering rates by what would be a relatively small amount, only to have to set them back at the old level within a short time.

• (3:20 p.m.)

The commission's record of rate reductions over the years deserves to be mentioned. In 1958, when the Whitehorse hydro plant began operating, the commission sold power to its customers at a wholesale price of 2½ cents per kilowatt hour. Successive rate reductions have brought the commission's price down to 1¼ cents per kilowatt hour, exactly one-half of the original wholesale price.

The Northern Canada Power Commission is one of the important instruments of development in the north. It also ensures that as far as practicable power costs to domestic, commercial and industrial customers are at the lowest possible level. By providing electric power at cost, the commission serves to encourage both better living standards for our northern residents and to help in promoting orderly commercial and industrial development.

The government's commitment to northern development is again borne out by the fact that the Northern Canada Power Commission has supplied power to all major resource undertakings north of 60. These include Giant Yellowknife Gold Mines, Discovery Mines, the Imperial Oil refinery at Norman Wells, Pine Point Mines, United Keno Hill Mines, and the Anvil Mine. Possible new power loads to developments now under study include Casino Mines, Kerr Addison Mines, Hudson's Bay Mining and Smelting, Cadillac Exploration, Cassiar Asbestos and the building of oil and gas pipelines along the Mackenzie River. The commission's position in the northern power field is underlined by the value of its capital assets at a cost of $60 million, and by the fact that it generates over 75 per cent of all hydroelectric power in both territories.

The government is well aware that power planning must take environmental factors into account. Thermal power does create air pollution. Hydro power developments alter the natural terrain. Every proposed development must be weighed against the alternatives, and the selection of a development plant must take environmental factors into account. The Northern Canada Power Commission will be considering these factors when making its decisions.

Providing sufficient northern power in the years ahead will require innovative thinking, effective management and the development of high capital cost generating capacity. This will most likely be in the form of hydroelectric plants and associated high voltage transmission lines. The commission is aware of future requirements and is developing plans accordingly. The publicly-owned sector of the utilities industry—which in northern Canada, as I have indicated, is by far the larger segment—must also be service-oriented and responsive to the needs of the people and industries it serves. Hence, the commission's concern with development in the years ahead must be matched by an equal concern for the welfare of northern residents and the protection of northern lands and waters.

Mr. Erik Nielsen (Yukon): Mr. Speaker, when I saw the minister in the House this afternoon I thought he was here for the purpose of dealing with a very important piece of legislation, the bill now before the House which appears obstensibly to be rather innocuous but is far-reaching in its effect. Instead—and I mean to cast no personal reflection on the Parliamentary Secretary—the minister has left a boy to do a man's job, a member who has simply read by rote from a speech that had been prepared for him, obviously not by any member of the commission for they know that the NCPC is not a Crown corporation but a Crown agency whose chairman is the deputy minister of the Department of Indian Affairs and Northern Development. So that is the first correction that has to be made.

I was going to ask the Parliamentary Secretary for a copy of the speech from which he read but, as is usually the case when anything is being said by the NCPC or on its behalf either in this place or in committee, it is so utterly devoid of facts as to be absolutely useless. But even more seriously, it is grossly misleading to the members of the House who have to consider this legislation.

The Parliamentary Secretary has attempted to explain small plant losses. He has attempted to explain why the amendments are being brought forward to deal with the

surpluses that are now required to be applied to the benefit of the individual plants—and until recently those surpluses were very few. He has informed the House for the first time, notwithstanding the very detailed examination of the officials of NCPC in committee in 1969, and notwithstanding the sidestepping on innumerable occasions by the minister, the general manager of NCPC and the deputy minister, who also wears the hat of chairman of the commission, that the commission, the government is going to adopt a policy of rate equalization, a question the answer to which was asked by northerners everywhere.

The Parliamentary Secretary has also been very sketchy in tracing the history of the NCPC, and what tracing there was has been inaccurate. Neither has he traced the history of private capital investment in power generation and distribution in the north. He said the NCPC was established in 1948 and that at that time its activities were confined to the construction of generating and distributing facilities in the Northwest Territories. Because a specific need had to be fulfilled in the Yukon, namely, the supply of power to United Keno Hill Mines Limited, which for several years had supplied its own power and was until recently the richest silver mine on the North American continent, the NCPC decided to have the act amended to permit the commission to construct this facility in the Yukon. I believe that amendment was made in 1952.

The hon. gentleman also inaccurately stated that the commission's activities are confined to northern Canada. They are not confined to areas above the 60th parallel. Of the 20 locations at which the commission operates, one is in northern British Columbia, at Field, and another is in northern Saskatchewan at Moose Factory. There are three locations in the Yukon at which the NCPC operates, namely, Dawson City, Mayo and Whitehorse. All the remaining generation and distribution facilities of the commission are in the Northwest Territories.

I shall have a few words to say in a moment about rate equalization and what that means to Yukoners as well as what the policy of this government means in terms of creating out of the area above the 60th parallel a vast experiment in state socialism; but for the moment may I rectify and set straight some of the omissions and inaccuracies in the material from which the Parliamentary Secretary read.

According to the evidence of the then chairman of the commission at the time the Standing Committee on Indian Affairs and Northern Development was examining the commission's estimates in 1949, the NCPC was created for the purpose of generating and distributing electrical power in places where private investment was either unwilling or unable to go. This is a very important criterion, one that has been omitted from the remarks of the Parliamentary Secretary. So apart from the installation at Mayo to assist the specific mine at Elsa, the commission had no other installation in the Yukon. The act was amended to enable the commission to supply electrical energy to communities that were being supplied by the Department of National Defence, the Department of Transport and other agencies.

[Mr. Nielsen.]

• (3:30 p.m.)

It was not until 1958, some six years later and ten years after the advent of the NCPC, that the commission decided to build that dam because of the power needs of the area which could not be handled by the Yukon Electrical Company, which at that time was still in the hands of the descendants of the original incorporators of that company in 1901 as a private enterprise. The NCPC sat on its hands for all that time. Even after 1958, when the Whitehorse plant was established, not until a year and a half ago did the commission awaken to the fact that development was occurring in the Yukon and the time was ripe to come in and skim off the cream.

So we in the Yukon waited from 1948 until 1968, 20 years, for the NCPC to do this job. There were communities at Old Crow, Keno City, Stewart Crossing, Pelly River, Carmacks, Beaver Creek, Burwash Landing, Destruction Bay, Haines Junction, Carcross, Teslin, Watson Lake and Lower Post all waiting for this government-established agency to go in where private capital investment was either unwilling or unable to go.

The Yukon Electrical Company was acquired, as the Parliamentary Secretary has said, by Canadian Utilities through a purchase in the late 1960s. It went into each and everyone of these communities. There are power-generating facilities established there, with power being distributed by the same company that is generating the power. The NCPC had an opportunity when Keno City was up for grabs and knew about the intention to sell out to the Yukon Electrical Company. Then, all of a sudden, the NCPC generated a good deal of interest.

When the Parliamentary Secretary plays down the role of investment capital in this fashion, by not mentioning the extent to which in terms of dollars—some $250 million—private enterprise has gone into the power-generating field in the Yukon Territories, he does this House a disservice. I am sure this was not intentional, because he was not reading his own material but was just distributing facts to this House. The truth of the matter is that the NCPC and its officials were dragging their butts. They did not know anything more about northern development than they could see from this distance, as is usually the case. I feel very sorry for the hon. member in that he was making sounds precisely like those that might be made about the Yukon and Northwest Territories, in terms of development, by a person who lives in Toronto or somewhere else. He certainly is not acquainted with the real facts of northern development.

Let me place in proper perspective some of the statistics he put on record. He spoke of rate equalization and he lumped together, as is the policy of this government, the two territories in the north for state administrative convenience. There is a role to play in the development of this country, particularly in the development of our northern areas, for private enterprise capital. I am not one who believes—I think I am speaking for every member of this party—that investment capital should be dried up and frightened away by state control of development processes. This is precisely what is happening.

The same story can be told of the Northern Transportation Company, which also comes under the minister's responsibility. The same story can be told of the formation of Eldorado Aviation. During the war years, the formation of these two companies was essential because they were producing a strategic mineral, uranium, and there was no other way the product could be transported to market. I well remember the debates in the committee which considered the continued usefulness of the Northern Transportation Company, I believe in 1958, and the continued operation of Eldorado Aviation.

At that time the functions and operations of the Northern Transportation Company could have been assumed by a private entrepreneur. They had expended considerable investment capital in providing that transportation service. They could have purchased the government-owned Northern Transportation Company. That is not what happened. The private enterprise was gobbled up with the support of the huge financial coffers of the federal government.

Pacific Western Airlines offered to purchase the assets and operations of Eldorado Aviation. I cannot understand why, in this world of today when investment capital is being spoken of by the government as being continually encouraged, there should be an Eldorado Aviation Company at all, with private enterprise willing to assume the task that is being discharged by this company, supported by the Canadian tax dollar. That is precisely what will happen here. In spite of the assurances which the Parliamentary Secretary read, rate equalization will not mean that the rates of large consumers in one area of the north, as he was pleased to describe them, will be applied to loss leaders in other areas of the north. That is precisely what will happen.

If we look at the financial statements of the commission for 1966-67 and subsequent years, we will find that the profits the commission made on the Whitehorse operation paid off the losses on the whole system. When the Parliamentary Secretary refers in a very casual way to the extent of these profits in the Yukon, let me remind the House that in the 1969-70 fiscal year this income amounted to $828,853. This exceeded by almost 600 per cent any other producer, including Pine Point.

Let me put it in percentage terms and tell the House that the income on the Whitehorse operation alone, given only eight months of operation, increased by 600 per cent and the sales increased by 100 per cent. Yet the Parliamentary Secretary stands here and reads to us that it is not the intention of the commission or the government to apply these profits to the losses on other parts of the system. That is rubbish; that is precisely where the profits will be applied. We in the Yukon ask: Why should the Whitehorse consumer pay for the loss in Frobisher Bay because of government extravagances there? Why should Whitehorse consumers pay for losses in Inuvik and Cambridge Bay? Why should they have this burden, any more than the residents of British Columbia should have the burden of supporting equalization in Nova Scotia? It should be done with tax dollars, but not with the consumers' payments for electric power in Whitehorse or anywhere else where the system is making a profit.

• (3:40 p.m.)

That was precisely the reason for writing in the original legislation that each plant should be self-sustaining. That was a good, sensible principle then and there is no reason why it should not continue to be a good principle. Every year, in respect of the estimates of consumption the explanation given was that the plants were to operate on a businesslike basis. If they were suffering losses because of the nature of the business of the company, or if they were required to supply electrical energy to an area of Canada where private enterprise capital was unwilling or unable to go, the losses should be picked up by the general tax dollar. I submit it would be grossly unfair to the Canadian who lives in Whitehorse and who pays the same taxes as everybody else to add to his burden the tax which would be necessary in order to carry the losses of a government operation in other parts of the country.

When we look at the gross picture for the Yukon it becomes very obvious that with the exception of Whitehorse—I ask hon. members to refer to the 1969-70 financial picture—all other points served by the facilities of NCPC maintain in a general way the same profit or loss position which they had in the previous year. I have already pointed out that the Whitehorse operation had a 600 per cent gain in net income and a 100 per cent increase in sales. When examining the figures it is interesting to note that even in respect of the Talston River, Pine Point, system the commission realizes the same percentage of profit on sales as in the Yukon. It would seem to me this must be due to the fact that the major income of that system is coming from a mine, and hence the selling price of the energy has been priced as low as possible.

I charge that the officials of the NCPC have been aided and abetted by a succession of commission chairmen who have been deputy ministers of the department. These chairmen have been deliberately misleading in respect of the evidence they have adduced before the committee and the evidence they have supplied to their respective ministers. There can be only one motivation for this kind of evasiveness or this kind of misleading on their part. The motivation is that they want private capital out of the north so far as power-generating facilities are concerned. Private investment wants to know one thing, that is, whether it is wanted there. This is precisely what they asked at the hearings in 1969. Again, the answer was evasive. They want to know whether their capital is welcome in development efforts in the north, because if not they will put it somewhere else. This is what one of the officials of Yukon Electrical asked when he appeared before the committee. Did he receive an answer? He did not.

In the past two years, like other hon. members, I have received the annual report of the northern Canada Power Commission. In addition, I have asked for the comprehensive financial statements of the commission. These

become available at the end of March in each year. The financial statement was delayed for months before I got it. If the amendments to this act are passed, members will never see that kind of statement again in respect of the operations of this company. I challenge the Parliamentary Secretary to gainsay me on that. Right now we know the plant is operating at a profit in some locations and at a loss in others. Right now we know the rates charged to government installations at these various locations, compared with the rates charged the ordinary user. Right now we know that the profits from one location are being applied to pick up the losses on the whole system.

The government, through the Parliamentary Secretary, has asked us to believe that real equalization will not be applied except on a regional basis, and that the profits from large consumer areas will not be applied to pick up the losses of the smaller consumer areas. I would assume that when he uses the term "regional", he means geographic region. He certainly would not want to include an area embracing places in the Keewatin, the Mackenzie and the Yukon in order to make up the region.

If that should be the case I ask how, in all that is reasonable, is the NCPC—if it has to take the whole eastern Arctic region—to become a profitable producer, especially when its operations are continually broken up into projects like Frobisher and Cambridge. One has only to look at the financial statements to realize that such an assertion is as hollow as it is foolish. It does not seem realistic that places such as Inuvik, Frobisher and Cambridge, which are mainly creations of the federal government, should be supported by the consumers of Whitehorse. That is precisely what will happen.

It should be government policy that these plants be supported by the taxpayers of Canada as a whole. That was the original concept of the act, and conditions in the north have not changed so as to justify any alteration of that concept. All that has changed is that they have a pretty viable economic unit now in the Yukon, whereas there was only one mine producing at the time the NCPC went into Mayo. Even the much vaunted Mr. Carr of the royal commission and his colleagues who studied the economic prospects of the Yukon in 1968 grossly underestimated the growth of the territory when they said its mineral production in 1975 would reach the level it has reached this year. That is the reason the NCPC is there.

The Parliamentary Secretary mentioned Anvil Mining Corporation. Let me tell the House about events there. Upon realizing that the officials of NCPC and the department had better get in and skim off the cream of the operation and establish a solid base for state-owned power in the Yukon, it was decided that when dealing with the officials of Cyprus Mine and the major shareholders of Anvil Mining Corporation, in addition to other federal aid granted to bring that mining operation into production they should have federal assistance in respect of access roads and other facilities in order to supply power. That was the decision the government made. It was not a decision made by Anvil Mining Corporation or by Cyprus. Indeed, I strongly suspect, although I have no evidence for putting it forward as a fact, that the government said to Anvil at that time, "We will provide the monetary aid you need in order to come into production, in keeping with our general developmental policy in the north, provided you will take your power from NCPC."

• (3:50 p.m.)

The government had to do that because there was private enterprise in the area willing to do it. Although it may be difficult to obtain an admission in this regard from officials of the NCPC or from the deputy minister, the Yukon Electrical Company, before that decision was made by government, said, "We are prepared to build the generation and the distribution facilities to supply electrical energy to this mining operation," and the government said, "No, we are going to do it." Yukon Electrical then said, "Let us bid, and see who will do it at the lowest cost," and the government said, "No, we are going to do it." Yukon Electrical then said, "Let us bid on the basis of rates. Perhaps we can supply it at a lower rate than NCPC". Again the government said, "No, we are going to do it regardless of the cost."

The same story can be told of the events that led to the acquisition by the Northern Canada Power Commission of the facilities in Dawson City. Again an offer was made to the government by Yukon Electrical to take over those facilities and to provide power at a rate less than that now being charged to the consumers in Dawson City. The Parliamentary Secretary read from his script that the intention of NCPC is to supply power at the lowest possible rate. Tell that to the people of Dawson City, where private enterprise, had it been allowed to go ahead, would be supplying power to the consumers at a rate lower than they are being charged today. The Parliamentary Secretary speaks about rate reductions as though the commission is being extremely magnanimous in passing on these rate reductions. Let me tell the House that every single rate reduction made to the distributor in Whitehorse has been passed on to the consumer and, further, that Yukon Electrical have applied their own rate reductions to the consumer despite none being given by NCPC.

In committee we heard the argument of the deputy minister, John MacDonald, who said that NCPC can supply power at less cost to the consumer than private enterprise. I asked him, "How do you know?" His answer was, "We don't have the attendant cost of borrowing money." Mr. Speaker, the assets of NCPC are in the neighbourhood of $60 million, but the assets of the International Utility Company, which is the controlling shareholder of Yukon Electrical Company, are in the order of $250 million. Yet the deputy minister had the audacity to say in committee that private enterprise is not capable of raising the capital to establish these facilities in the Yukon and in the north generally. Again, that is rubbish. Let me also inform hon. members of the House that the Yukon Electrical Company, through its new majority shareholders, offered to buy the whole of the plant and generating facilities of the commission in the Yukon at one fell swoop. Again, naturally, they were refused.

I am now directing my submissions to the House to the relative merits of private, investor-owned utilities as

opposed to public utilities in the north. It is all very well for the government, with great fanfare, as the minister is wont to do, to announce all these schemes which offer incentives for the development of northern resources and to hold out his arms in an embracive fashion and say, "We welcome foreign investment capital." Indeed, he takes trips to Europe to try to raise investment capital to plunge into Canada's north. In effect, the government says to International Utilities, "We want investment capital, but we do not want any of your $250 million to help develop power because we are going to do it ourselves and we will charge the consumer a great deal more."

For the first time, Mr. Speaker, from the notes of the Parliamentary Secretary we have an indication that there is to be no review board. His notes say there is no real reason to have a review board because there is to be an expanded commission of five members, including one representative from the Yukon and one from the Northwest Territories. I submit to the House that whether a utility is owned by the private sector or by the public sector, there is an increasing demand by the consuming public that the utility's activities, particularly the rates of suppliers and generators, be subjected to the decisions and reviews of a public utilities board.

That position was taken very recently in the province of Ontario by the resigning Premier. Here I refer to a report in the *Globe and Mail* of just a month or so ago, where Mr. Robarts was quoted as saying with regard to a recent Ontario rate increase that his government was looking for an appropriate forum to review rates, but he added that no decision had been made on whether the review body would have authority to reject planned increases. Unlike what is written in the notes of the Parliamentary Secretary, I urge that regardless of the outcome of this debate, regardless of what hon. members' views might be as to public versus private utilities in the north or anywhere else, there should be established a public utilities board to review rates. There is no reason why that board should not be established forthwith.

The excuse that is made in the notes of the Parliamentary Secretary is that the Yukon Territorial Council rejected an ordinance which was placed before them in 1968, which would have set up a public utilities review board. The reason they did not agree to this was not explained to the House by the Parliamentary Secretary, as is usual with the kind of evasion prepared by people who write nonsense like that read to us by the Parliamentary Secretary. The reason was that the proposed body was to be too confined. What the people of the Yukon wanted, as expressed through the Territorial Council, was a public utilities commission similar to that which operates in the province of British and the province of Alberta. It is essential that any electric utility, including Yukon Electrical, Northern Canada Power Commission and Plains Western in the Northwest Territories, be subjected to regulatory processes. The introduction of such a review board would provide protection to the residents of the Northwest Territories and of the Yukon.

I am sure no one would be too disturbed if it were proposed that the commission be allowed to pool the revenues in the Yukon to the benefit of the Yukon consumer, no more than my hon. friend from the Northwest Territories would object if revenues generated by the NCPC were applied for the benefit of the Northwest Territories. That sort of principle and that sort of application will not meet objection. I do not think anyone in the Yukon would object to rate equalization in the Yukon, any more than anyone in the Northwest Territories would object to the same kind of principle. But we do object to the government continually, by its policy, lumping us together for the purpose of bureaucratic or administrative expediency.

• (4:00 p.m.)

We object to revenues generated in one territory being applied to the benefit of the other, just as the citizens of British Columbia would object to revenues arising from the consumers of that province being applied to the benefit of the province of Manitoba, Quebec, or other places. If the notes of the Parliamentary Secretary mean what they say, namely, that the revenues from the Yukon are not to be applied against losses in the Northwest Territories, it would be a simple matter to write this into the act now. Consumers ought to have that assurance.

It is interesting to note, too, that the Parliamentary Secretary's notes speak of certain northern developments. This merely shows how insidious is this kind of forked-tongue approach taken by the government. They speak of the need to keep pace with development, and of the operations of the Northern Canada Power Commission throughout the north. What developments did the Parliamentary Secretary mention? Among others, he mentioned Casino Mines, Kerr Addison Mines, Hudson's Bay Mining and Smelting, and one other. These operations are all taking place in the Yukon, every last one of them. Perhaps he did not do his homework. He forgets, too, that private investment capital to the tune of $3 billion was ready and available to carry out the development of the whole hydroelectric potential of the Yukon watershed in 1953, and that this would have generated twice the existing capacity of the St. Lawrence Seaway projects. He could not have done his homework, because if he had he would have read the remarks of the minister of that time, Mr. Lesage, and the remarks of the prime minister, Mr. St. Laurent, indicating that the private investment capital was rejected by that Liberal government.

An hon. Member: Shame!

Mr. Nielsen: That development did not go ahead. What happened, Mr. Speaker? The government headed off that development. In 1961 the Northern Canada Power Commission retained a Montreal engineering firm, Montreal Engineering, to carry out a study of the cost of rehabilitating Dawson City.

An hon. Member: Which government was then in power?

Mr. Nielsen: They wanted to know the cost of rehabilitating the utilities, the electrical power system and the

water system. This was prior to the departure of the mining operation of the area, Yukon Consolidated Gold Corporation. This was a field in which it had operated as a monopoly for over half a century. Later, Mr. Humphrys, who was the general manager of NCPC in Ottawa, said in public that the commission could not justify the spending of public funds in such a venture because of Dawson City's uncertain future. That was the end of the first chapter written on the opportunity on the part of NCPC to fulfil the reason for which they were established.

In 1964 a private company, Yukon Electrical Company, attempted to negotiate the purchase of the Dawson electrical system, and got nowhere. It is interesting to note that the NCPC would not do it and neither would they give it to anyone else. The chairman of the commission is also the deputy minister. I can imagine him juggling his hats, receiving an application from Yukon Electrical Company to do the Dawson City job, saying no to that company and then putting on his hat as chairman of the NCPC, replying to himself as deputy minister and speaking as chairman of the NCPC, saying, "NCPC would not do it." This is a great state of affairs. That body ought to be a Crown corporation.

Mr. Dinsdale: Hear, hear!

Mr. Nielsen: It should not be a commission whose chairman is the deputy minister, through whom the commission chairman must report. He must have a gay time at annual report time, reporting to himself. In 1965 the same private company, Yukon Electrical, tried again. It confirmed its offer to provide electrical generators and to take care of the operation of the water system for Dawson City. The result, again, was nil. The Yukon Electrical Company at that time guaranteed to supply the electrical services as soon as Yukon Consolidated Gold Corporation closed down in September, 1966. They pointed out that the capital would not come out of public funds, that the company was operating other, similar diesel plants and was well equipped to enter into a franchise agreement with Dawson City. Also, they said that the company's facilities would be added to the tax rolls of the community. This brings me to another point.

The government has been saying, "We can supply your electrical power at lower cost." The residents of Dawson City are finding, to their sorrow, that this is not the case. The government authority pays no interest on its investment, whereas private capital does. It pays no fuel taxes in the Yukon, although it does in the Northwest Territories. It has all these fringe benefits in order to compete with private capital, and still the government cannot do it. These amendments would give the commission more power. All this is done for the sake of complete state control.

In 1966, to carry on with the sad saga of Dawson City, the deputy minister of the day, Mr. Côté, who was also chairman of the NCPC, wrote that there were several reasons why it was deemed better and in the public interest—we heard the same words spoken today by the Parliamentary Secretary—to develop this entire project with federal government financing. The power portion was to be operated on a self-supporting, self-liquidating process by NCPC. The act says it is to be self-sustaining. In other words, the answer was the usual no to private enterprise; the government said, "We will run it ourselves."

Let us see what the picture has been in Dawson City since the commission went in there. I am reading from their financial report. Their loss for the year 1967-68 was about $39,000. Their loss for the year 1968-69 was $13,823. Their loss for the year 1969-70 was $10,590. There are some pretty nice losses in other plants as well. In particular I have picked out Fort Simpson, where they suffered a loss, and Frobisher, which suffered a dandy loss of $17,000 according to the last statement, and Chesterfield, which suffered a $5,000 loss. Only marginal profits were made with the other operations, the exception being, perhaps, Pine Point. The Parliamentary Secretary's speech writers are trying to convince the House that these losses will not be set against revenues obtained throughout the whole system. If he believes that, he is less intelligent than I give him credit for being.

In 1968 there was a closed meeting in Whitehorse. The problems of Dawson City were discussed, problems posed by the high cost of power production. These questions were faced by the federal, territorial and municipal representatives. It is my understanding that the session had been called because it was discovered that it was costing $90,000 to operate the water system for 200 outlets at Dawson City. Half that amount was recovered; the remaining $45,000 was to be forked out by the territorial government. No business will ever take over a utility under those conditions. I will not continue with the sad saga of Dawson City. That is the tale of only one area into which the NCPC has ventured.

• (4:10 p.m.)

We speak of the obligations of the commission with respect to northern employment. It is a pity that instead of reading from the notes which he was provided, the Parliamentary Secretary did not take the trouble to read the minutes of the Standing Committee on Indian Affairs and Northern Development. The actual statistics are set forth there as to the efforts made by private enterprise as opposed to NCPC in the employment of our native peoples. Some of the members of that committee had the opportunity of travelling throughout the Northwest Territories and the Yukon in order to take a comparative look at the two operations. In Watson Lake they saw a diesel electric power generating and distribution facility that was being operated with a total staff of three. It was automated and required only three persons to operate it. A similar operation is being carried out by NCPC in the Northwest Territories. They are operating with a staff in excess of 20. The excuse given is that they run the boilers in the hostels because it is in keeping with a homogeneous operation in the generation of power.

The Parliamentary Secretary does not know a grid from a waffle iron. When he presented the kind of arguments contained in the notes that were prepared for him,

this became even more obvious. This bill, if passed, will have a harmful effect on northern development, perhaps not so much in the Northwest Territories as in the Yukon. It will have an immediate and harmful effect on private investment capital being attracted to the Yukon. I urge all members to consider the whole package with which Parliament is being presented with respect to northern development. This includes not only the amendments to this act but the amendments to the Yukon mineral act which follow. Other land use regulations which will be introduced will literally inhibit the existing base of development and exploration in the north. In addition, the impact of the regulations of the inland waters act are being felt. Above all, there is the white paper.

I have been almost universally charged by the residents of the Yukon to urge this government to stand this bill until such time as the impact of all this legislation can be viewed as a package in terms of its economic effect. The Yukon Chamber of Mines, the Yukon Chamber of Commerce, the Prospectors' Association, the Mining Association and hundreds of Yukon citizens make this appeal through me to the government. Failing that, they make the plea to all members of this House to support the motion I am about to make. They do so because of the intense and universal objection of the principle embodied in this bill, the danger inherent and the likelihood that revenues generated in the Yukon or any part of the system will be applied to defray losses in other parts. Because of the unacceptability and unfairness of that principle, I wish to move a motion. I hoped that my motion would be seconded by the hon. member for Northwest Territories (Mr. Orange), who is in his seat, but I do not think he will do that.

Mr. Orange: Right.

Mr. Nielsen: I move:

That all the words after "that" be left out and the following inserted:

"this bill be not now read a second time but that the subject matter of the recommendation in relation to the bill be referred to a committee of the whole House."

Mr. Deputy Speaker: Order, please. I would like to hear representations from hon. members at this time. I have some reservations about accepting the amendment. I state frankly that I have a completely open mind. It appears, initially, that the amendment purports to change the procedural aspect of the motion. As I understand the motion now before the House, the bill now under consideration will be referred to the Standing Committee on Indian Affairs and Northern Development. Hon. members may be able to make a distinction. The amendment moved by the hon. member for the Yukon (Mr. Nielsen) suggests that the subject matter of the recommendation with relation to the bill be referred to a committee of the whole House. I have some reservations about the procedural acceptability of the motion and I will be happy to hear argument.

Mr. Nielsen: Mr. Speaker, prior to the change in the rules hon. members will recall that it used to be the practice of the House to discuss the principle of a bill at the resolution stage, because of the requirement in regard to the financial responsibility of the government. Because of the far-reaching economic impact this measure will have, the motivation behind my amendment is that the matter is far too important to deal with other than by this House in committee of the whole. That is precisely what will happen if the amendment now before Your Honour is accepted. Rather than going to a standing committee, a committee of the whole House should deal with the matter.

Mr. Deputy Speaker: I will hear from the hon. member for Peace River (Mr. Baldwin) in a moment. The hon. member for Yukon refers in his amendment to the subject matter of the recommendation. I presume he is referring to His Excellency's recommendation. My impression is that this is a prerogative of His Excellency; it is not within the capacity of this chamber to go to His Excellency with a directive even though a committee of the whole House may make such a directive. I would like to hear from the hon. member on that point.

Mr. Nielsen: With respect, Mr. Speaker, a motion cannot, even inferentially, be read so as to result in a reference back to His Excellency. The House is now seized with the matter through the recommendation of His Excellency. The motion simply asks that the recommendation of His Excellency be dealt with in a slightly different fashion than is called for by the resolution on the Order Paper, that is, that it be dealt with by a committee of the whole House.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we are continuing to plow new ground in connection with these motions. I think we are developing very useful jurisprudence which will extend the rights of the House to deal with motions of this kind in a more adequate way. I agree with Your Honour that if the motion of the hon. member for Yukon (Mr. Nielsen) purported to indicate that the committee of the whole had the right to make suggestions to His Excellency with regard to changing the recommendation, I would have some difficulty supporting it.

• (4:20 p.m.)

Implicit in the motion is that the committee of the whole might have an opportunity to consider this issue, and its consideration would be directed not only to His Excellency but to the government. I recognize that under the British North America Act there is a connection between the government and His Excellency, and that His Excellency should listen to his advisers and not necessarily to this House: the government must intervene. I am assuming that the purpose of part of the motion by my hon. friend is that the committee, having considered this matter, might then make a recommendation to the government. The government may or may not act upon it. The committee might decide, in its collective wisdom, that the original recommendation was proper. In those circumstances, that is the way it would be brought about.

As to the substantive part of the motion, with respect, I would think there is that freedom, I do not think a motion could be put that the bill be referred to a committee—I think we had some discussion on that—and Your Honour might well, within the terms of the Standing Order, require a different form of motion than one to refer the bill itself. But my hon. friend has been most careful to make the distinction between the bill and the subject matter of the recommendation.

The bill is founded on the recommendation, and I think this is a neat device permitting the committee of the whole in a very brief way, I hope, at an appropriate time, to consider this recommendation and make suggestions to the government. If it is a sensible government—which I always hope for, so far without anything to back up my hope—it will accept the suggestions and say to His Excellency: We think this recommendation should be changed in accordance with the suggestions of the committee of the whole.

Mr. Deputy Speaker: It seems to me that the amendment we are discussing amounts to a direct negation of the motion before the House, which asks that the bill be read the second time and referred to a Standing Committee. It would appear to the Chair that if hon. members do not agree with the main motion, they will vote against it. I wonder whether any other hon. member would care to assist the Chair on this point.

Mr. Nielsen: It certainly was not my intention, when the amendment was prepared, to negate the motion now standing on the Order Paper, though it would have been very easy to do so; one would simply have to present a motion that the bill be not now read the second time. But I was careful to avoid doing so and to direct the amendment toward removing this bill from the Standing Committee and discussing its subject matter, because of its importance, in committee of the whole.

Mr. Frank Howard (Skeena): With great respect, I was rather surprised to hear the comments Your Honour made a few moments ago while in the chair. In any event, I think that what we have to consider is the practicality of what we are doing. On other occasions, in the absence of any formalized procedure for dealing with matters in this way, Mr. Speaker has ruled that it is not possible to do these things; in other words, unless there is an ability on the part of the House to handle matters in the way proposed, such motions are out of order.

I believe the reverse situation is easy to understand. If a bill is set down for referral to a committee of the whole House, it is quite proper to move that it be read a second time and that the subject matter be referred to a Standing Committee. This is because a Standing Committee has the opportunity to examine witnesses in an informal way, explore the possibilities of the subject matter and then report its findings back to the House.

The amendment under discussion conceives putting this course in reverse, that is, not reading the bill a second time but sending the subject matter thereof to committee of the whole, without any procedural conception of what is to happen after that. I submit that the force of the amendment is to defeat the bill, because if it were carried the bill would not be read the second time and, as I understand the rules, that would be the end of it. The subject matter of the recommendation would be referred to a committee of the whole House. But for what purpose? The recommendation might be debated or examined, but there is no connected follow-up procedure for bringing the bill itself back before the House. On this ground alone, I believe Your Honour must find the amendment is not in order and should so rule.

Mr. Deputy Speaker: I thank hon. members for their assistance in connection with the procedural point. The hon. member for Peace River said we were plowing new ground for the Chair. Speaking personally, I should like to have some time to consider the arguments made by hon. members. If the House is agreeable, and if no other hon. members wish to contribute to the procedural discussion, I will reserve my decision on the procedural question and we will proceed in the interim.

Mr. Nielsen: Mr. Speaker, it would be very easy to amend the motion the Chair now has before it and simply move that the bill be not now read the second time. But I did not want to deprive the House of debating the subject matter of the recommendation.

Mr. Davis: You are all heart.

Mr. Rod Thomson (Battleford-Kindersley): Before I begin my address, Mr. Speaker, I should like to direct a question to the hon. member for Yukon (Mr. Nielsen) to make sure I understood him correctly. Did he say he was in agreement with the principle of the equalization of power rates within the Yukon or within the Northwest Territories?

Mr. Nielsen: That is correct. No one would object to Yukon revenues being applied to Yukon equalization. I am sure this principle would be agreed to by the hon. member for Northwest Territories (Mr. Orange).

Mr. Thomson: Thank you, Mr. Speaker. I wished to make sure I understood the hon. member correctly.

I should like to comment on one statement the hon. member made in his speech, namely, that a public utilities commission or board should be appointed to review electricity rates in the Yukon and in the Territories. I must say this is my view. I think we should set up a board to look after the interests of consumers in that part of the world, perhaps a local board which could have regard to local situations. It could take into account the profits made locally by these companies and see that they are providing service of an appropriate standard. I commend the hon. member on his suggestion and regret it is not embodied in the legislation. This is something which should be done in the future, and I hope the Parliamentary Secretary (Mr. Buchanan) will consider it in this light.

The stand taken by the New Democratic Party in connection with public power is well known. We believe

public power is a good thing, for a variety of reasons. Let us consider the general situation, not confining ourselves to the arrangements made for one particular region of Canada. The economics of public power are better because of the non-profit motive, because of the lower interest rates which can be obtained and because large public corporations are in a better position to undertake long-term financing.

• (4:30 p.m.)

Some of these projects are so huge that they require 33-year or longer financing before they can go into production. I am thinking of some of the hydroelectric plants or atomic power stations we have at the moment. Since a large corporation would have a larger market, it could afford to initiate hydroelectric projects of a size frequently beyond the capacity of the small, individual, private power operators. It is for reasons such as this that the members of this party in general favour publicly-operated power stations.

I understand from my reading of and acquaintanceship with the situation in the Yukon that there are a large number of hydroelectric power sites available just waiting to be developed once an adequate market has been found. It seems to me that here a large public corporation would be able to guarantee a power capacity that small individual corporations might not. In this respect, a market for power may well be developed, since mining operators and business concerns would be sure of a power supply to put their projects into operation. As a result, these concerns might proceed with their ventures where otherwise they might hesitate.

In cases where a mining operation, say, required additional multimillion dollar loans over and above normal capital needs, the assurance of power supply by a public corporation might make all the difference between commencing and not commencing operation. Consequently, I feel there are some definite advantages to having a government-operated power corporation in this part of Canada. In addition, I think that a large public corporation would tend to standardize its supply of parts. Certainly this was the experience in Saskatchewan where we discovered that small individual corporations had a whole variety of differently sized parts. One large corporation would combine volume, parts would be cheaper, and as a result everybody would benefit.

We would favour the government going further than it already has. We feel the bill should have implied a direct undertaking to proceed with public power development in all its phases in the Yukon and Northwest Territories, not simply in what I might call the fringe areas. Too often we feel that the profitable power developments, as is the case with other industries too, are left to the private corporations and the fringe areas, areas in which the others cannot make money, are left to government corporations. It stands to reason that in such circumstances the establishment of a public power corporation does not show up to advantage. The only way to view such a corporation is to look at it from the over-all aspects, as one corporation that looks after the power requirements of a particular area.

I should like to talk for a moment about equalization of power rates. I come from a farm situated in a scattered farming area in Saskatchewan. From the point of view of straight economics, I doubt that it would ever be profitable to put a power line through my part of the province. However, I do not believe that the waters of the South Saskatchewan River or the North Saskatchewan River impounded within the Squaw rapids, for example, belong solely to the people of Saskatoon, Prince Albert or other large cities in Saskatchewan where power development makes money. These cities are there to serve farmers such as myself, and I have equal claim to power from the Saskatchewan River and to equality of price as anybody else in Saskatchewan.

Whether power users are assisted by operating or capital grants, or in some other way, it is to the advantage of all that there be one over-all rate. I am not talking about rates only; I include the establishment of power lines to distant areas where it may never be economically feasible to provide power. I remember when parts of Saskatchewan had no power. I personally had trouble with my private power plant and finally with public power moved from a 5-horsepower to a 10-horsepower transformer. I have seen an expanding use of power in the province, and this has had an effect upon businesses and allied ventures in some of the fringe areas. In this regard I take particular issue with the hon. member for Yukon (Mr. Nielsen) who had much to say about the people in Whitehorse and other cities and hardly said anything about those living in the fringe areas. When he did say anything about them it was to point out they had no power, and I think his criticism is justified there.

From my experience, if power is produced purely from the point of view of straight economics, the fringe areas will have no power supply. Or if they have a supply, the rates will be expensive or they will have trouble with the supply. There will be no connecting grids and as a result the supply will be uncertain. This is why I say we must look at the supply of power in the over-all sense, in the total economic picture of areas of the country as a whole, rather than individual cities. In this respect people living in Whitehorse and other cities, and operators of mines, should not object if some of their money is used to extend power to other areas of the Yukon.

Mr. Nielsen: Why not a reduction of rates?

Mr. Thomson: I come from an area which would never have had power if economics had been the sole consideration. But the waters of the Yukon River are not only for those who live in Whitehorse; they are for the people of the Yukon as a whole. Similarly, mines are not for the benefit of the operators of the mine alone but are, rather, for the benefit of the people as a whole. The people of Whitehorse should help pay for the power needs of others. After all, must the people of the Yukon live in Whitehorse or in mining areas only?

Mr. Nielsen: May I ask the hon. member a question?

Mr. Thomson: Yes.

Mr. Nielsen: Would it not be a fairer application of the principle to say that the kind of equalization to which the hon. member is referring should come out of the common tax dollar? After all, all Canadians are taxed at the same rate. The hon. member is suggesting that an additional burden be placed on the citizens of Whitehorse in the matter of consumer rates for electricity. I suggest that the common tax dollar should be the consideration, and with that principle I would agree.

• (4:40 p.m.)

Mr. Thomson: Mr. Speaker, I would not agree completely with the hon. member. I think we in Canada have made some attempt at least to provide equity on the tax dollar basis.

Let us go back to the consideration of power. What we have been referring to is a form of tax, and I agree this will cost the people of Whitehorse more. I am sure the hon. member who represents Whitehorse wants his area of the north developed and hopes that it will one day become a province. That is also my hope. It seems to me that the areas which are developed already and which have some natural advantages should be willing to contribute to areas which have not. If, for example, the people of Whitehorse service the needs of people in adjacent areas, those who live in small or rural communities, they benefit because these people are carrying on mining and trapping. Why should they not contribute something? I have argued this point in respect of Saskatchewan.

I agree that the problems of the Yukon are somewhat different since the population is more scattered and the centres are smaller; it would be more difficult to put in a good system. But I think the principle is the same. The hon. member suggests there are inefficiencies in this Crown corporation, if this is the right term. I will not argue with him in that regard. There should not be any inefficiency.

Having regard to the total picture and the principle, I think the people of large centres, whether they be in Toronto as compared with the rural areas of Ontario, in Regina as compared with the rural areas of Saskatchewan, or in the Yukon, should display a sense of reasonableness. We cannot all live in Toronto, Regina or Whitehorse. Let us accept the fact that there are people on the fringes of these large areas who want power, and that the only way they can get it is through an extension of the services from larger centres. This is a reasonable and rational approach.

From my experience, the small communities have little one horse putt-putts to generate power. Very often they only run them on Mondays so that people can do their washing, and for several hours at night. In the larger towns they have a reasonable source of power but no real commercial supply. Individual farmers have their own electricity plants. I am sure this is the case in the Yukon and the Northwest Territories. These areas have this type of power supply and, logically, this will be the

situation for some time. In the future we must look for a better system. We must consider an over-all system to provide power in bulk on an economically sound basis and at a cheap, efficient rate that everybody can afford.

I consider electrical power as a building block in the development of any economy. I have had the opportunity of visiting a number of electrical power-producing plants in Canada. I was at an atomic energy plant in Quebec in October. I visited one in Pickering before Christmas, and I visited the Portage dam in British Columbia. I also visited the Squaw Rapids dam and the South Saskatchewan River dam, not to mention several other steam-generating plants using coal or natural gas. It seems obvious to me that without power a country will go nowhere, but with a cheap, efficient and secure source of power we will develop business and industry to serve the people well in the outlying areas as well as Canada as a whole.

With specific reference to the Yukon and the Northwest Territories, I think a Crown corporation in charge of power should insist that businesses pay a fair price for energy. Businesses should contribute to the well-being of the people in their areas. Perhaps they should contribute to an even greater extent in relation to the power they consume, because of the security of their power needs.

As I indicated earlier, I believe that the Yukon and Northwest Territories will eventually become provinces. I am certain this will be the case in respect of the Yukon. There should be some kind of equalization of costs in respect of power, roads and other development features. This is the logical approach, and I agree with the hon. member for Yukon when he talks about equalization within these two areas. The hon. member may have a point when he refers to the comparative cost of power in the Yukon and in Frobisher Bay. Perhaps there is a logical reason for this difference.

If I understood the Parliamentary Secretary correctly, this equalization is to be conducted on a regional basis. Perhaps he would tell the House whether it is the intention of the government to equate these different costs. Is the cost of power in Frobisher Bay to be at the same rate as power produced at Whitehorse?

I have not visited the Yukon but I have been in the Northwest Territories, northern Alberta, northern Saskatchewan and northern B.C. I envisage a great future for these areas if we have patience and a willingness to invest our wealth. It seems to me that one of the best things we can do is make certain there are adequate sources of power for people who move in to develop these areas. In this way we can help them avoid additional development costs.

We should, logically, look toward a larger power service and a grid system such as exists in other sections of the country. This may be a long time coming for areas such as the Yukon and the Northwest Territories, but I think we should look for something of this nature in the north. For this reason, we hope the government will extend services to supply power—hopefully, ahead of business—while at the same time encouraging business to take advantage of such an energy supply.

Mr. R. J. Orange (Northwest Territories): Mr. Speaker, the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Buchanan) received a baptism of fire today in presenting this bill regarding the Northern Canada Power Commission. It was suggested by the hon. member for Yukon (Mr. Nielsen) that because the minister was not in the House to present the bill, the Parliamentary Secretary was like a boy sent on a man's errand. I suggest to the hon. member and other members of this House that the hon. member for London West is a big boy, and big boys can be rougher than little boys.

I should like to refer to the words of the hon. member for Yukon regarding the comparison between the power plant at Watson Lake, which he indicated was fully automated and required three people to run it, and a plant somewhere in the Northwest Territories. He did not identify the plant but suggested that it required 20 people to carry out the same type of operation. I shall not attempt to be an apologist for the Northern Canada Power Commission. However, I think that when this kind of an assertion is made it would be helpful if we knew precisely the community concerned. Basically, what we are concerned with in the Northwest Territories and in other areas of the north is the provision of power.

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

Mr. Orange: I will answer questions in due course. We are primarily concerned with the provision of power through the cheapest and best possible system to all users, commercial and residential.

• (4:50 p.m.)

This bill proposes to do a number of things. It proposes to increase the size of the board of the Northern Canada Power Commission, to involve the commissioners and councils of the Northwest Territories and Yukon Territory in the selection of individuals from the two territories in the policies and planning of the commission, and to establish a form of rate equalization through various regions of the north. I believe it is rather far-fetched to think that rate equalization would take into account the rates in a community or in a city such as Whitehorse and suggest that the rates in Frobisher Bay should be lowered at the expense of the people of Whitehorse, Yellowknife or Pine Point.

Mr. Nielsen: You are picking up the losses, now.

Mr. Orange: The bill is also intended to provide additional financing to allow the commission some latitude in terms of investigation and studies and proceeding in a much more effective and efficient manner than in the past. It might be useful if we reviewed for a moment the development of the electric power systems of the Northwest Territories. At the present time and over the past number of years, three basic agencies have been involved in the provision of power. The private sector has been involved in communities such as Hay River, Yellowknife, Providence and Enterprise.

The federal government, through the Department of Indian Affairs and Northern Development, and now the territorial government itself, took on the responsibility, with the development of health and school services in the Arctic communities and other isolated areas in the Northwest Territories, to establish small diesel plants for schools, community freezers and nursing stations. These power plants were gradually upgraded to five kilowatts, ten kilowatts and 40 kilowatts. When they reach the magic figure of 100, the Northern Canada Power Commission comes in with the expertise and equipment required.

NCPC, as we like to call it, has been the basic source of supply for communities such as Frobisher Bay, Fort Smith, Inuvik, Fort Simpson and in the past four or five years for smaller communities such as Copper Mine, Baker Lake and Pond Inlet. There is a continuing move in this direction. Having been involved, in the Department of Indian Affairs and Northern Development, in one stage of the development of power plants, I find it rather interesting to recall the frustration the officials of the department faced when they wanted to increase power plants from five kilowatts to ten kilowatts. In addition, they had a generator here and a generator there and were faced with the problem of providing operators. Then the Northern Canada Power Commission took a look at the situation and proposed to do an adequate job for the communities.

The problem, basically, is one of cost of providing power to the person who must pay for it himself. In most of the small communities in the north the government, through one means or another, is able to absorb this cost in its budget. The Northern Canada Power Commission, in the arrangement it has with the territorial government, has set a maximum rate of 12 cents per kilowatt hour in respect of any small community. In Inuvik, for example, probably 98 per cent of the power generated and used is used by the government to heat the school, the nursing station, the RCMP station and house, and the housing and offices of the territorial government. However, the missions and the Hudson's Bay Company are required to pay the 12 per cent rate in this community.

People might ask, what does it matter what rate the Hudson's Bay Company must pay? Well, this company, like any other successful enterprise, must make a profit. It operates on the basis of every store showing a profit at the end of the year in these isolated and remote communities. At Fort Resolution, for example, two years ago the cost of power for the store and for the manager's accommodation was in the vicinity of $500 a month. The same situation would apply in respect of places such as Inuvik. The people who buy from such a store would pay for the power through their purchases. Therefore, one problem we face which is very important to the people of both territories is how to provide the best service at the lowest possible cost.

I am concerned that our study of this bill may be one of the few opportunities to really understand and know something about the Northern Canada Power Commission and the question of power in the territories. I suggest that perhaps this bill is begging the issue. I believe it

is begging the issue of private power versus public power. I believe it is begging the issue of how we can ensure power development throughout northern Canada.

I had hoped that as a result of the committee hearings of 1968, the representations made to ministers by people of the north and representations made by the private sector, somehow or other a thorough examination of power development in the north might have been made. I would have liked an independent commission set up to examine the respective roles of private and public power in the north and to clarify the uncertainty, to which the hon. member for Yukon referred, which the private sector faces when it wishes to stay but says that if it is not wanted, it will leave. The private sector says: For heaven's sake, at least tell us whether or not you want us.

I would hope the terms of reference of such a commission would include an examination of the development of a power facility in the smaller communities and responsibility for the power sources. In other words, the question is: Who will develop the major power sources which at the moment remain undeveloped? Such a commission might also look at the areas which perhaps should remain as they are in perpetuity, for purposes other than electric power development. It could examine the relationship of private companies to public companies, the possible establishment of new or alternative sources of energy such as the use of gas in the Mackenzie valley, if and when it is discovered, as well as the value and use of a public utilities commission in both the Yukon and the Northwest Territories.

• (5:00 p.m.)

It might also examine the granting franchises in small, unincorporated communities, without the government moving in and saying to such communities: We are going to do it. It might also determine what is best for those communities, and examine the costs and the efficiency of the Northern Canada Power Commission. Mr. Speaker, when I refer to the efficiency of the commission I want to be very careful, because over the last couple of years I have developed a great respect for the manner in which it operates generally throughout the north.

Rather than have the board comprise a majority of civil service representatives, I would like to think that the chairman could become an independent person and no longer be the Deputy Minister of Indian Affairs and Northern Development. Here, again, I do not reflect on the ability of the present chairman of the commission. I would like to see discussion take place on where the headquarters of the Northern Canada Power Commission should be located, whether it should be here in an ivory tower in Ottawa, or in Yellowknife, Frobisher Bay, Chesterfield Inlet, or Old Crow. I would like these matters to be discussed and examined by an independent commission without having to accept recommendations coming from just one side.

As I indicated, Mr. Speaker, when the parliamentary committee met with the private sector, we did not come up with any recommendations about where to proceed from here. Our discussions were virtually of no value to the development of a proper power system throughout the territories.

Mr. Nielsen: How about a task force?

Mr. Orange: I do not care whether it be an independent commission or a task force. You name it. But let us have it set up from outside so that we in Parliament can get a picture of what should happen and where we should go from here. As I said, the Northern Canada Power Commission is a good organization. I believe it can become better and that it is working in that direction. In the past, part of the problem of NCPC was that they tended to hide their achievements under a rock. They do not take credit for many of the things they have accomplished in the north, nor do they seem inclined to want to project a better image. However, this changed somewhat in centennial year when the commission sponsored the Mackenzie canoe race and donated approximately $10,000 for the purpose. Within the last few years the commission has taken an active interest in fostering the employment of local people. For example, in Fort Simpson three out of four people employed by the commission are local residents. That is a move in the right direction.

I express concern about the proposed grid system. Probably my concern is little different from that expressed by the hon. member for Yukon. I hope that one day we will be able to develop our resources in such a way that we will have a grid system that will provide equalized rates throughout the Yukon and the Northwest Territories. This would be a very desirable objective. But until that day comes—and it is a long way away—we must be concerned about including in a regional program the private sector of the industry. In Pine Point, Yellowknife, Hay River and Fort Smith, power is primarily supplied by private enterprise. The rates charged normally apply to a community in which 95 per cent of the power used is for government operations. In such a situation we see the problem of the little guy, of the small businessman or of the fur trader who lives in the community, who owns his own house and who must obtain some relief from the exorbitant rates that exist at present.

I believe it is important that in the committee we hear from members of the commission on this subject. I believe that in 1965 a study was made to determine what the cost would be to the taxpayers of Canada to provide an equalized rate—and this not a low rate—for all the residents of the Northwest Territories. It was based on rates of 3, 4 and 5 kilowatts which, by the standards of the south, are still very high. Nothing came of that report. I am not sure what the final results were. However, there was an indication of the effect on a minimum number of people, particularly people in the smaller communities throughout the Arctic and throughout the Mackenzie.

As I say, Mr. Speaker, there are many unanswered questions as a result of the introduction of this bill,

which must be discussed in committee. When the minister and his officials appear before the committee it may be possible for him to indicate whether he is prepared to have a task force examine the matters referred to in this debate. In conclusion I wish to make one point that may not have much relevance to the bill under discussion but which must be considered in connection with potential power development. There are many beauty spots in the north where a conflict arises between the developer and the conservationist. I give one example of this. We have already witnessed the fuss that occurred as the result of the declaration by one arm of the Department of Indian Affairs and Northern Development of a region on the east side of Great Slave Lake as an area suitable for a national park, an area in regard to which a second arm of the department, the Northern Canada Power Commission, had just completed an expensive study of power development on the Lockhart River. I have visited the South Nahanni, which is one of the areas where such potential conflict may arise. I hope that a decision will be made by the Department of Indian Affairs and Northern Development, taking into account the interests of all parties concerned, to create a national park in that absolutely magnificent area. It is practically the last wild river area in Canada.

I appeal to the minister and his Parliamentary Secretary to listen to the suggestions that will be made by hon. members during the committee study of this bill.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, it is obvious from the comments of the hon. member for Yukon (Mr. Nielsen) and of the hon. member for Northwest Territories (Mr. Orange) that this bill does not deal, in the comprehensive terms required, with problems of northern development, particularly with respect to the subject of power in the north. It is for this reason that I enter the discussion at this time.

• (5:10 p.m.)

I think the hon. member for Yukon has offered a solution for the dilemma in which both these hon. gentlemen, in light of their particular concern for northern development, find themselves. It provides the vehicle whereby the subject matter may be referred back to committee of the whole House, and something more adequate to deal with the subject of power at this most critical juncture in the entire program of northern development might be worked out.

As has been pointed out by the spokesmen who took part in the procedural discussion this afternoon, under our former rules we had the opportunity to debate, in a preliminary way, the propositions and proposals of government at the resolution stage. This useful device was automatically available to Parliament. Although we have streamlined parliamentary procedures to the extent that the participation of private members of the House has been considerably downgraded or, in some cases, is no longer possible, I think that in a matter as important as this we might be well advised to adopt the solution that has been constructively proposed by the hon. member for Yukon.

I am disappointed, as is the hon. member for Yukon, that the minister is not present this afternoon. We are given far too few opportunities to discuss the problems and prospects of northern development. There is a dramatic story to be told in this regard, in light of developments which have taken place in both the Yukon Territory and the Northwest Territories over the past decade. Perhaps the minister's absence from the House this afternoon, when a topic of such priority is being discussed, indicates that he too is not greatly elated by what is contemplated in the legislation before us.

Without doubt, the question of power is fundamental to the entire subject of northern development. The thorough investigation recommended by the hon. member for Northwest Territories is long overdue in this respect. I know, as one who had responsibility for northern development during an important period in the expansion of the department, that we considered power to be of the essence inasmuch as the main potential in northern development is in the area of resources. The development of the natural resources of the north which, as we now know, exist in abundance will draw heavily upon the power potential of the north. In particular, it will draw substantially on hydroelectric power. There are a great many undeveloped sites in both the Yukon and Northwest Territories which have substantial hydroelectric power potential.

The hon. member for Yukon has outlined the gradual evolution, if I may use that term, of the functions of that body now known as the Northern Canada Power Commission. I should like to expand further on that developmental picture. The NCPC has been used in other areas of Canada where the federal government has become involved in power developments specifically designed to assist resource development. I am referring to areas such as Newfoundland and the Atlantic provinces. As the hon. member for Yukon pointed out, it is significant to note that the name of the commission when it was first organized in 1948 was the Northwest Territories Power Commission. That is when there was urgent need for public involvement in the supply of power to the isolated areas of the Northwest Territories because private enterprise had not yet moved into this area of northern Canada.

The NWT Power Commission, as it was known in those days, moved into the Yukon Territory in 1950. In 1956 the name was changed to Northern Canada Power Commission. There was a further change, in 1958, in the functions of the NCPC. This occurred when the Atlantic Provinces Power Development Act was passed in this House. The NCPC, as I have already intimated, was the federal vehicle used to bring considerable benefits to the province of New Brunswick. I see the former Premier of that province, the hon. member for Carleton-Charlotte (Mr. Flemming), smiling in approval at my reference to the assistance that was provided in his province at that time. It was also provided in Newfoundland, in connection with the Baie D'Espoir project which now is a reality in Newfoundland and is bringing considerable encouragement to the development program in that area.

The interest rate on money provided under the Atlantic Provinces Power Development Act was one-eighth of one per cent, which I think hon. members will agree was pretty generous on the part of the federal government of the day. A 40-year repayment period was provided for. I am not sure whether the NCPC still carries out this expanded function under the Atlantic Provinces Power Development Act. The point I want to make in referring to this development in 1958 is simply that it was obvious that the federal government was using NCPC to assist in power development in areas where private enterprise was not willing to undertake the risk involved, and in the undeveloped and isolated areas of Canada where public initiative was required.

It is not my intention, Mr. Speaker, to cover the same territory that was covered by both the hon. member for Yukon and the hon. member for Northwest Territories. As the members most familiar with the current situation, they have adequately covered the ground. As a former minister of this department, I strongly support the amendment that has been put forward by the hon. member for Yukon. As I have said, it is fundamental to the entire developmental pattern that has emerged in the past decade, particularly in the Yukon Territory and to the development, albeit on a smaller scale, of the Northwest Territories. The bill that the government has placed before Parliament will further discourage the movement of private investment into this great, undeveloped, geographic empire that has fallen to the government of Canada. There are 3.5 million square miles in the Northwest Territories alone.

• (5:20 p.m.)

I am sure that all ministers who have assumed responsibility for the Department of Indian Affairs and Northern Development will agree that it has been difficult to interest private enterprise in the development of the potential in our northern territories. This is partly due to the rugged nature of the terrain, the difficulties of distance and expanse of the geography and, in some instances, to the approach of the government with respect to the role that private enterprise can play in the developing north.

The present minister made a recent trip to Europe in order to interest investment from private sources in that part of the world. When I was minister, I visited Japan. This was based on the continuing contact that we had with the then Japanese ambassador. I am speaking of the early 1960s. He displayed enthusiastic interest on behalf of his government in the investment opportunities of the Yukon Territory. Since that time projects such as the New Imperial Mines and the Anvil Mine have become operative much more quickly than would have been the case had the investment potential in Japan with regard to natural resources not become available to the Yukon Territory. I could mention other cases where private enterprisers, at great risk to themselves, moved in and developed projects. These are now producing dramatic results in terms of income, as outlined by the hon. member for Yukon.

[Mr. Dinsdale.]

Figures that the Carr report indicated would not be realized until 1975 have already been achieved. This is because Canada Tungsten, which produces a rare mineral in the space age, created an entire community based on this resource. Clinton Creek, which is close to the Alaska border, is another extremely important development which has been made possible by the interests of private investment in the Yukon Territory. The course the government is now taking under the bill now before the House reverses the encouraging trend that has been under way in the past decade. We have been endeavouring to minimize the natural impediments and difficulties to private investment. We have adopted a positive attitude by providing specific incentives so that private enterprise would be encouraged rather than discouraged.

As I said at the opening of my comments today, Mr. Speaker, I ask for the urgent consideration of the government with respect to the psychological implications of the amendments proposed with respect to the functions of the NCPC. Perhaps at this stage this applies more to the Yukon Territory than to the Northwest territories. In every way possible, the federal presence of Ottawa in the territories should be gradually diminishing. This revolves around the whole question of growing autonomy in the northern territories. In the early 1960s the Yukon Territory was moving ahead dramatically. This was largely on the basis of the assurance that they would be able to control more of their destiny with respect to administrative matters as well as with respect to resource development. The purport of the bill before us reverses this trend. It is bound to have a discouraging and negative effect on the impetus of northern development which has been achieved during the past decade.

The hon. member for Yukon has offered the solution for the dilemma which is obviously causing agonizing second thoughts for the hon. member for Northwest Territories. In his remarks this afternoon, he did everything except publicly repudiate the bill. Hon. members from both sides of the chamber must work together to review the principle of the bill. We normally would have had the opportunity to do this at the resolution stage, under the old rules. We must take an in-depth look at the whole trend of northern development, as recommended by the hon. member for Northwest Territories. We would then have before this House a bill of which the minister could be proud. Instead of ducking his responsibility of piloting the bill, he would be happy to come before the House of Commons. He could use the bill as a further source of information and propaganda—I use that word term in the best sense—in the interest of northern development.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have listened to the debate this afternoon with a great deal of interest. I thoroughly enjoyed the remarks of the Parliamentary Secretary, of the hon. member for Yukon (Mr. Nielsen) and of the hon. member for Northwest Territories (Mr. Orange). They have given the members of this House a much better insight into the problems facing the northern areas of Canada.

It is not my intention to spend a great deal of time debating the various clauses of the bill now before us. I

wish to take this opportunity to make some rather general remarks about northern Canada and this bill. The bill which we are discussing deals with what I have always looked upon as two separate entities, the Yukon Territory and the Northwest Territories. The federal government should take another look at its plans for the future development of our nation. If at some time in the future the government feels we should have an additional two or more provinces in the northern part of our nation, we should logically and sensibly proceed to develop the various economic interests and ties of these areas. By this I mean that eventually, I suppose, the Yukon will be a Canadian province in its own right, with power to deal with its resources in the same way as other provinces.

• (5:30 p.m.)

In these circumstances, it is only sensible that we should develop plans for this territory along lines which will eventually suit it as a self-governing province. This applies also to the Territories. If, on the other hand, there is a move by the federal government to incorporate the two regions into one vast province, that is a different matter. As far as I can make out, there is no clearcut plan to govern the way in which these areas are to develop as far as power transmission to them is concerned. I realize there is a degree of self-government in these regions, but I feel there should be far more responsible self-government than there is at present.

Although the measure before us is not the best bill in the world, the act which it proposes to amend has certainly been of service to the areas concerned. I think there are opportunities for vast improvements in some respects, though I disagree greatly with parts of the speech made by the hon. member for Yukon. I believe that public ownership of power, if sensibly handled, can become a tremendous weapon for full economic development in areas such as the north. I was shocked to hear this afternoon that many of the smaller communities have been neglected for more than 20 years by a commission which was in fact set up to look after the interests of those rural areas, if you can call them rural.

When we are dealing with remote areas such as the north, subsidies are certainly in order if there is to be proper development there, even in connection with the supply of power. The hardy citizens who go to these areas are entitled to some of the amenities which we in a warmer climate enjoy.

The bill proposes to increase the membership of the commission by two members. I understand the new members are to be local people who understand local needs. This is an excellent idea and I have no objection to it. But the composition of the commission is another thing. I firmly believe that the deputy minister has no right to be sitting on the commission as chairman. If the commission is to show any measure of independence, it must be divorced from the Department of Indian Affairs and Northern Development. Unless this is done, the minister and departmental officials will be giving too much political direction concerning the way in which the commission should operate. The government should look into the possibility of appointing a chairman from outside the department.

I note that it is proposed to increase from $50,000 to $250,000 the amount of money the commission can spend on investigations. Again, this is a step forward; the commission cannot do much with $50,000 to investigate the possibilities of sites for power development in the north. I hope that when we talk about investigation of hydro or power sites we shall not fall into the trap into which a number of hydro utilities have fallen throughout Canada. We have experienced this in British Columbia. Frequently hydro sites have been chosen because engineers have said, "This is a good site for the production of power." Tremendous ecological damage has been caused because adequate surveys were never made. There is still no legislation to oblige Crown corporations to carry out surveys to ascertain what ecological and other damage could be done if a dam were built. Consequently, huge hydro dams have been built at a number of sites throughout Canada, resulting in tremendous ecological damage.

I should like to see a safeguard put into the bill before us. A very simple amendment would do the job. It is that Crown corporations would be subject to the terms of the Navigable Waters Act. If this were done, they too would be required to make sure, when applying for permission to build a dam on a particular river, that they had a good case to present to the federal authorities and had taken into account possible damage to the ecology of the area. The way things are today, there could be a repetition of what happened on the Peace River when the Bennett Dam was built. No authorization was needed. The hydro authority was not required to tell the government what they proposed to do. No surveys were made to find out what damage would be done, and now we find that the whole of the Mackenzie Delta is in jeopardy because of a dam which was built before adequate surveys had been made to determine its effect on the ecology of the area.

Another point was raised in connection with rates. Again, I appreciate the objection voiced by the hon. member for Yukon. He looks forward to the Yukon becoming eventually a separate province, and feels that profits made from the sale of power there should not go to subsidize a little plant thousands of miles away in another part of Canada. There is some logic to this, certainly. In the case of an operation such as we have in British Columbia, covering the whole province, everything can be put into a pot and the rural areas can be subsidized. But in this case we find settlements set up all over the north separated by many hundreds of miles, and this amounts to a different proposition. We were not given a very clear explanation of what "regions" means. I think these regional areas might afford the Yukon protection in the matter of price equalization. This might well be the answer; I do not know. However, this matter can be examined during the committee stage.

• (5:40 p.m.)

With regard to setting rates on a regional basis, a point raised by some hon. members in the House, it is for the commission to decide rates as well as regions. I do not

think you will get complete uniformity throughout. It might be very difficult to apply rates evenly across the entire area. I have looked at one of these reports and I can see nothing wrong with government subsidization. For example, the government has subsidized some of the coal used in coal-fired plants and this has helped reduce the end cost of the product—in this case, the cost of the electricity produced and supplied to residents. Something of this sort could be done for those living in the remote areas.

However, let me make it clear that I do not think the private utility companies are going to be a sort of fairy godmother to people in the north in regard to bringing power to remote areas. I was a member of the provincial House in British Columbia for a number of years. We fought for some time to try and force the private utility companies to put lines through some of the rural sections of the province, but they refused to do so. We carried on the fight before the public utilities commission, before the B.C. legislature and in the press. We held meetings and put all the pressure we could on the private companies. In many cases people had been living for generations without the enjoyment of the amenities of electricity, something they should have had. Public power finally did the job. I think the same pattern will emerge in the north.

For this reason I think the Northern Canada Power Commission could do an immensely good job of assisting such areas to obtain power at an average or moderate cost. I do not think these people should be called upon to pay high prices for electricity. If necessary, I think the government of Canada should not hesitate to give residents living in such areas large subsidies to help keep rates down. I think we owe this to these residents.

I should like to say a few words about power in northern areas. I feel not enough planning has been done in regard to power projects and other economic developments in the north. Generally speaking, to date the north has proved to be a huge treasure house of raw materials. Mining companies have moved into the north and set up operation. Unfortunately, we have witnessed all this raw material being shipped out of the area for processing. It is here that I suggest planning be done. The power commission should sit down with officials from other government departments and discuss steps to be taken to bring about more fabrication, more processing, of the raw materials that are presently being taken out of the Northwest Territories and the Yukon. This processing should be done in the north where the raw materials are found.

Mr. Nielsen: Such as smelting.

Mr. Harding: Yes, smelting and processes like that. That is what the north needs. Such a development would be based upon huge quantities of power being made available to the smelters, the concentrators and so on. I understand there are some concentrators in the north now, but I am sure other industries would also spring up.

This is the kind of planning that should be provided for in a bill such as this or in some other type of legislation.

We must concern ourselves with what we will do for the people in the north. We talk about the Indians and the Eskimos who also live in the north, but alongside the Indians and Eskimos are a large number of other people who have gone north because they enjoy tough conditions and the type of life there. We must learn to develop the Canadian north economically. To do so we will require huge quantities of power which will have to be subsidized. As I say, we must first plan how we are to develop the north. In this regard, it is time the government laid down some guidelines. For example, the province of Ontario is insisting that a certain amount of processing of raw materials take place before those materials are allowed to leave the province. I see no reason why areas of the north should not enjoy some of the prosperity that comes from this type of economic development, though it is economic development in its very first stages. I urge the minister and his departments take another look at this problem.

I notice in the last report that there has been a considerable increase in electrical power consumption in the north. There has been a 10.1 per cent increase in electric power consumption and a 6.6 per cent increase in consumption of power for heating purposes.

Mr. Nielsen: There has been a 100 per cent increase in Whitehorse.

Mr. Harding: The hon. member for Yukon says there has been a 100 per cent increase in Whitehorse. This is an indication that people are using and want more power, and that the population of the north is growing. As I say, the north is one of the few remaining treasure houses of the world. With proper planning we can make certain it is adequately developed.

One last matter in conclusion. I do not think we should always think of power in terms of diesel or hydro generation. There are gasfields in the north and gas is one of the cheapest and best sources of power. Eventually there will be a number of localities in the north where power will be generated by gas turbines—turbines might be used in some areas even now—fed by the natural gas that is found there in abundance.

One hon. member made reference to the oil and gas-lines that might eventually come down along the Mackenzie River to Edmonton and be dispersed to other parts of Canada, and possibly even further south. Again, I believe we cannot leave this entirely to free enterprise. The government must make certain that there are proper plans regarding gas and oil distribution. This is another essential factor as far as development in the north is concerned.

• (5:50 p.m.)

There may be someone else who wants to say a few words on this rather interesting bill. In closing, I should

like to say I thoroughly enjoyed the discussion which has taken place this afternoon. Let me congratulate particularly those hon. members who represent northern areas of Canada and who this afternoon gave the members of this House a picture of the north and the developments taking place there.

Mr. Deputy Speaker: Order, please. Earlier this afternoon the hon. member for Yukon (Mr. Nielsen), seconded by the hon. member for Peace River (Mr. Baldwin), put a motion before the House. At that time I asked the House for an opportunity to consider it and to look at the authorities. If hon. members agree, I intend to dispose of the motion now and make a brief comment on my reasons. Before doing so it might be useful if I read the main motion and the amendment proposed by the hon. member for Yukon. The main motion is the following:

That Bill C-193, to amend the Northern Canada Power Commission Act, be read a second time and referred to the Standing Committee on Indian Affairs and Northern Development.

The proposed amendment thereto is as follows:

That all the words after "that" be left out and the following inserted:

"this bill be not now read a second time but that the subject matter of the recommendation in relation to the bill be referred to a committee of the Whole House".

I have had an opportunity to consider the very helpful arguments on the procedural point posed by hon. members, and to consult some of the authorities. I will very briefly give the two points which I feel make the proposed motion unacceptable to the Chair, on a procedural basis.

The first point relates to relevancy. Hon. members will note that the amendment is that the subject matter of the recommendation be referred to a committee of the whole House rather than the subject matter of the bill itself. I might point out that the recommendation is not before the House in any legal or formal sense. The relevant Standing Order provides that a recommendation is to be attached or annexed to a bill. I believe this is for the convenience of members.

It seems to me that the recommendation is not part of the bill and that we cannot consider it as such. The recommendation, therefore, is not relevant to the provisions of the bill; rather, it is extraneous to the provisions of the bill. Without reading it, I might mention Beauchesne's citation 203(1), which is helpful in this regard.

The hon. member for Skeena (Mr. Howard) put forward a very helpful argument on procedural aspects and the substance of this amendment. If I followed him correctly, he suggested that if the motion were adopted by the house, our procedure would not allow us to follow through after the committee had considered the subject matter of the recommendation. That was a useful argument, but before accepting it the Chair must also determine whether the motion is acceptable on the basis of precedent. I was not able to find any precedent in respect of this type of motion. That, in itself, may not be sufficient reason to rule it out of order.

There are precedents which would suggest that the subject matter of a bill, or an amendment providing that the subject matter be referred to a standing or select committee, or an established entity, commission or agency, would be acceptable; but there seems to be no precedent providing for a referral, at this stage of the proceedings, to a committee of the whole House. For those reasons I regret that on procedural grounds I cannot accept this motion.

Mr. Nielsen: Mr. Speaker, the Clerk of the House indicated that the Chair might put the motion I have proposed by way of an amendment, with the consent of the House.

Mr. Deputy Speaker: The hon. member has indicated that where the House is agreeable—and in this regard I must ask for unanimous consent—the amendment to the motion might be put in the way the hon. member has suggested. Without making a ruling on the procedural correctness of this amendment, I should like to ask the House whether there is unanimous consent. If there is unanimous consent, I think the motion as suggested by the hon. member, might be put to the House.

Some hon. Members: Agreed.

Mr. Nielsen: The proposed amendment to the motion would then read:

That all the words after "that" be left out and the following inserted:

"this bill be not now read a second time but that the subject matter thereof be referred to a task force appointed under the Inquiries Act."

Mr. Deputy Speaker: Before ruling on the proposed amendment to the main motion I should like to refer to its procedural acceptability. Hon. members will recall that a similar procedure was before the House on January 13 in respect of a motion proposed by the hon. member for Calgary North (Mr. Woolliams). Although that motion was somewhat extended, it was similar in terms. After considerable argument about its procedural acceptability, there was unanimous consent and the Chair felt the motion could be accepted. The motion was then put along the same line as now suggested in the motion proposed by the hon. member for Yukon.

Before I put the proposed motion, and so we will have this on the record, I should like to draw a distinction between this motion and what seems to be clearly acceptable in respect of this kind of motion. I refer to citation 386(1) of Beauchesne's Fourth Edition. I shall not read the whole citation, but it reads in part as follows:

That the bill be not now read a second time but that the subject matter be referred to the Board of Railway Commissioners for Canada.

There is an indication that this was procedurally correct, but there is a fine distinction and I think it is important that we make it. The formal motion which Beauchesne indicates to be correct, and for which there are precedents in this House, differs from the proposed motion of the hon. member for Yukon and the motion of the hon. member for Calgary North. The amendment advanced by the hon. member for Yukon proposes the referral of the subject matter to a task force appointed under the Inquiries Act. That is the distinction I should like to make at this point. It seems that it might be procedurally acceptable to refer the subject matter of a proceedings at this stage to an entity, group or commission which is in existence.

I had reservations last week as to the procedural correctness of referring the subject matter to a task force which was to be subsequently appointed. I have the same reservations in respect of the proposed motion of the hon. member for Yukon (Mr. Nielsen). However, if there is unanimous consent of the House, and if it is the desire of hon. members to follow the precedent established last week, I would, by unanimous consent, be prepared to accept the motion.

• (6:00 p.m.)

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, apropos your last remarks, there was unanimous consent of the House to allow the hon. member to amend his motion, but I hope this will not be taken as unanimous agreement in respect of its orderliness or regularity. In addition, since it is obvious the debate will not conclude this evening and the vote on the main motion for referral would have to be taken at a later time, perhaps tomorrow or later in the week, it was our intention to ask Your Honour to call it six o'clock if a ruling were to be given.

That being the case, it would perhaps be in order to request You Honour to consider the regularity of the motion for the reason Your Honour has just pointed out, namely, that there does not appear to be any precedent for referring either the bill or the subject matter, at this stage, to a body which is not yet constituted. Complementary to that problem is the fact that there may not, certainly on a casual reading, be authority under the Inquiries Act to set up a task force. If this is not an argument that stands alone, it is certainly one that tends to support the feeling Your Honour may have concerning the regularity of an attempt to refer something to a body which does not exist, because it may not be possible to bring such a body into existence. I submit that Your Honour's fears are well grounded in respect of the regularity of the motion, and I would ask Your Honour to reserve your ruling on it and to consider the matter further.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, perhaps I might say a few brief words. I am sure we all agree that whatever happens, it should happen tomorrow rather than now, since six o'clock has gone by. However, with reference to Your Honour's query concerning whether the amendment now before us, like the amendment of the hon. member for Calgary North (Mr. Woolliams) of last week, is in order, in view of the fact that the proposed task force does not exist, may I point out that citation 386 paragraph (2) seems to permit an amendment of this kind which urges the setting up of a select committee to consider the subject matter of a bill.

What I am saying is that there does not seem to be anywhere the kind of requirement that the entity to which the subject matter is to be referred must already exist. It so happens that the Board of Railway Commissioners did exist, but there is also this permission to refer the matter to a select committee that is to be set up.

The whole issue raised by the Chair is in respect of whether the body to which the matter is to be referred must already be in existence. I submit that under citation 386 (2), that requirement does not obtain and that whatever we may decide about the substance of the motion, it would seem to me, having gone this far, we should find it in order. But that, of course, is for Your Honour to do. I support the Parliamentary Secretary in his suggestion that whatever finding is made be made tomorrow.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I should like to speak very briefly on the proposed amendment before us and the dilemma the Chair mentioned, of the very thin line involved here and the question of whether or not it might be resolved by unanimous consent. Although the hon. gentleman who just sat down is an acknowledged expert on the rules, I would point out that the significant thing in respect of the amendment of 1934 which referred a matter, I believe, to the Board of Railway Commissioners is that in so doing the statement was made that the amendment was as much a declaration of policy as if it had stated that the question of adjusting the railway rates on grain should be investigated by the board.

I believe this is a very fundamental point. In the reference to the Board of Railway Commissioners for Canada, the inference was that there was not a deviation in policy. In other words, it was being referred to a type of board which would not in any way indicate any deviation from the basic policy enunciated in the bill. The basic point is covered in the first part of citation 386 rather than the point the hon. gentleman raised when he referred to paragraph 2. I do not think the amendment should be permitted.

Mr. G. W. Baldwin (Peace River): Before Your Honour calls it six o'clock I have a very brief word to say about this matter. Also, before Your Honour calls it six o'clock perhaps the Parliamentary Secretary to the President of the Privy Council (Mr. Jerome) will indicate the business for tomorrow.

In respect of the question to which Your Honour is now giving consideration, cluttered up with the arguments advanced by the other side, in the last few years the words "task force" have been engraved upon the

hearts of the people of Canada. This is a government of task forces. The expression "task force" has now been given a specific meaning like the Holy Writ. I think Your Honour might take judicial notice of the fact that this is a government which operates by task forces.

While there might be some merit in the argument raised by the Minister of Labour (Mr. Mackasey) and the Parliamentary Secretary, I suggest we are a body which from time to time must advance, like the principles of constitutional law, by comparing it with a growing tree. We on this side believe that while the rules are there for the guidance of Your Honour, they must be changed and adapted to the need of a changing society. We are prepared to see Your Honour make some advance in this way and hope you will follow the precedents which have been sanctified by unanimous consent. I think this is a point Your Honour should take into account.

Northern Canada Power Commission Act

Without meaning to prevent other members participating in this interesting debate, I think the Parliamentary Secretary might tell us what we might hope to accomplish tomorrow and Friday.

Mr. Nielsen: Mr. Speaker, I would refer Your Honour to the several inquiries set up by way of motions in 1963, 1964 and 1965. Such matters were referred to bodies which did not exist at that time.

Mr. Jerome: Mr. Speaker, I will simply say there is no intention to change the order of business from that announced by the House leader earlier this week.

At 6.12 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, January 21, 1971

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

Fourth report of Standing Committee on Finance, Trade and Economic Affairs—Mr. Clermont.

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

* * *

[*English*]

EXTERNAL AFFAIRS

UNITED STATES AIR FORCE PERSONNEL REDUCTION, GOOSE BAY—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I rise to ask leave of the House to present a motion under Standing Order 43. My motion deals with an announcement made this morning that effective June 30 this year there will be a reduction of 570 military personnel, representing approximately 40 per cent of the United States Air Force complement at Goose Bay, and also a reduction of 30 in the civilian force. As it would appear that the same pattern of phase-out as at other United States installations in Newfoundland—Harmon Field, Pepperel and Argentia—has commenced, and as the Goose Bay area appears to offer no alternative employment opportunities whatsoever, I move, seconded by the hon. member for St. John's East (Mr. McGrath):

That the Secretary of State for External Affairs take immediate action to determine the full intent of the American authorities with regard to the future of the U.S. base at Goose Bay.

That the government immediately move to prepare a contingency plan to meet what would undoubtedly be an emergency situation of national importance should the Americans completely abandon this base as in the cases of Harmon Field and Fort Pepperel.

• (2:10 p.m.)

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member who has just spoken. Before it can be put to the House unanimous consent is required under the terms of Standing Order 43. I will therefore inquire whether there is such unanimity.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and consequently the motion cannot be put under the terms of Standing Order 43.

CRIMINAL CODE

AMENDMENT OF PROVISIONS RELATING TO ARREST AND BAIL

Hon. John N. Turner (Minister of Justice) moved for leave to introduce Bill C-218, to amend the provisions of the Criminal Code relating to the release from custody of accused persons before trial or pending appeal.

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

ORAL QUESTION PERIOD

FINANCE

TAXATION—ONTARIO PLAN TO AID SMALL BUSINESSES

Hon. George Hees (Prince Edward-Hastings): I have a question for the Minister of Finance who I know is lurking behind the curtains because I have seen his pipe and his face behind it. I wonder if we could wait for a moment until the hon. minister takes his place. Can we give him a hand, Mr. Speaker?

Some hon. Members: Hear, hear!

An hon. Member: Tally-ho!

Mr. Hees: It is nice to see him back. My question is: As two months have now passed since the last federal-provincial finance ministers conference to which the treasurer of the province of Ontario submitted for consideration a plan to aid small business, has the Minister of Finance given consideration to this proposal during the intervening period and has he decided that it would be possible to utilize this excellent plan to aid small businesses across the country?

Hon. E. J. Benson (Minister of Finance): I have not only reviewed this plan but I have reviewed alternatives to it. As I have indicated previously, we have been looking at the situation—the white paper proposals, the submissions of business and the submissions of the province of Ontario with respect to the small business problem—and I would hope that when the tax bill is ultimately produced it will be well accepted by small business in the country.

Another point I should like to bring out is that the treasurer of Ontario has asked for a further meeting between provincial treasurers and finance ministers and myself. I am trying to arrange such a meeting in February but I am having a little difficulty because there are some important things going on for the Tory party in Ontario in February.

Inquiries of the Ministry

Mr. Hees: I am glad to learn that the minister has compared this very excellent plan with the proposals contained in his white paper. In the course of this comparison has he not come to the conclusion that this plan is preferable to doing away with the 21 per cent tax rate and replacing it with the full 50 per cent levy, which seems to be the only real interest the minister has taken in small business?

Mr. Speaker: Order. The hon. member's supplementary is in the form of an argument and I would not think it is acceptable in such terms.

* * *

ENERGY

UNITED STATES PROPOSAL FOR GAS PIPELINE ACROSS CANADA FROM ALASKA—COMMITTEE CONSIDERATION —CONTINENTAL POLICY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I direct a question to the Acting Prime Minister arising out of a statement made yesterday by the United States Federal Power Commissioner, Albert Brooke, to the effect that the Nixon administration is trying to hasten the construction of a natural gas pipeline across Canada from Alaska because of the energy shortages being experienced south of the border? Has such a proposal been received from the government of the United States, are any discussions going on and has any decision been reached?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, there have been discussions, of course, about the building of this gas pipeline. Just how far those have involved bilateral discussions between officials of our two governments I am not quite certain at the moment. But it would be our wish that a gas pipeline be built, I think it would be in the interests of Canadians as well as of Americans.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Would the Acting Prime Minister be prepared to give an assurance that, before any decision is made with respect to the construction of such a pipeline, the whole matter will be referred to a standing committee of the House in order that we may have an opportunity of seeing what the gas needs of Canadians are, whether or not they would be affected, and also any studies that have been made of the ecological effects of the construction of such a pipeline through Canadian territory?

Mr. Sharp: Mr. Speaker, I would have thought that the ordinary procedure would be used in any application for the building of a pipeline in Canada. Parliament has laid down a procedure for the use of the National Energy Board. They would receive the application, and I am sure they would be as careful about Canadian interests as my hon. friend.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since U.S. Federal Power Commissioner Brooke also said, "Concurrent with this is the effort to develop a common continental energy policy with our Canadian neighbours", may I ask the Acting Prime Minister whether discussions are going on at any level of government with respect to a continental energy policy, and would the government be prepared to make a statement on motions to give the House some information as to what energy commodities are being discussed and under what terms?

Mr. Sharp: Mr. Speaker, I think I can say quite categorically that no discussions are going on between Canada and the United States in regard to a continental energy policy. I do wish to add, however, that I think the respective developments in our two countries should be co-ordinated as much as possible so as to gain maximum advantage for both countries.

CONTINENTAL POLICY—PRESSURE BY UNITED STATES

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. Were the ministers who attended the latest interministerial conference between Canada and the United States, which as the minister knows takes place once or twice a year, subjected to any behind the scenes pressure brought to bear on the Canadian government, as it has been in the past, for a continental energy policy?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker.

UNITED STATES PROPOSAL FOR GAS PIPELINE ACROSS CANADA FROM ALASKA—PROTECTION OF HUNTING AND FISHING GROUNDS

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary question for the Acting Prime Minister. Would the minister inform the House whether any steps have been taken, or will be taken, by the government to protect the traditional hunting and fishing grounds of the native peoples of the north over whose lands the pipeline will likely be routed?

Hon. Mitchell Sharp (Acting Prime Minister): I am quite sure, Mr. Speaker, that if the National Energy Board were to recommend to the government the issuing of a licence for this purpose, the protection of the natural environment and the interests of the local inhabitants would be taken into account in reaching a decision.

* * *

[*Translation*]

AGRICULTURE

DAIRYING—ESTABLISHMENT OF GRANT PROGRAM

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question for the Minister of Agriculture.

In view of the fact that the President of the National Dairy Industry Council, Mr. Jackson, speaking at a meeting of the annual convention of Canadian dairy producers in Fredericton, predicted a shortage of milk by 1972 as a result of domestic and foreign demand exceeding the level of production for the current year, can the minister tell us whether his government intends to devel-

op a program for the purpose of helping farmers to produce more milk?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, and some very constructive actions were taken by the dairy industry itself and a number of the provincial marketing agencies related to that industry within the last few days. I am not persuaded that there is going to be a shortage of milk or milk products in Canada for a very long time, and perhaps not at all.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, I would like to ask a supplementary question.

In view of this threat, would the minister not consider immediately ceasing "penalizing" those farmers who are currently exceeding their quotas?

Mr. Speaker: It seems to me that the supplementary question is in the form of a suggestion. The hon. member should assume that the minister will consider it.

* * *

[*English*]

PENITENTIARIES

PRINCE ALBERT—RESULTS OF INQUIRY INTO RIOT—REINSTATEMENT OF GUARDS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Solicitor General. It has to do with the situation at Prince Albert penitentiary. Has the investigation into the recent riot or disorder in the penitentiary been completed, and will the guards or warders who were suspended be reinstated?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, the inquiry has been completed and the correction officers who had been suspended have resumed work. At the present time, a grievance has been filed and it is still under study at the level of the Commissioner of Penitentiaries.

[*English*]

Mr. Diefenbaker: Mr. Speaker, I would also like to ask the minister whether or not the major criticisms that were made in the investigation were to the effect that orders from Ottawa from the head of the penitentiary service, who is totally unacquainted with penitentiary service having had no experience in that direction, brought about a situation in which the convicts in the penitentiary assumed superiority and authority even over the warders?

[*Translation*]

Mr. Goyer: Mr. Speaker, the officials in Ottawa who are responsible for the administration of the Penitentiary Service enjoy my utmost confidence and I think they are people of experience who know about the problems in the penitentiaries and who are in direct contact with those who manage operations inside the penitentiaries.

[*English*]

Mr. Diefenbaker: As a further supplementary question, Mr. Speaker, was a person not recently appointed as head of the penitentiary service who had no acquaintance with or knowledge of penitentiaries whatsoever?

Mr. Frank Howard (Skeena): Mr. Speaker, I would like to direct a supplementary question to the Solicitor General. He may have answered this question in response to the right hon. gentleman from Prince Albert. If he did I did not catch the answer. I would like to know whether the inquiry into the riot at Prince Albert has been completed?

[*Translation*]

Mr. Goyer: Yes, Mr. Speaker.

[*English*]

Mr. Howard (Skeena): Supplementary to that, Mr. Speaker, and I apologize for not getting the answer the first time, would the Solicitor General be prepared to make the results of that inquiry public?

[*Translation*]

Mr. Goyer: Mr. Speaker, I think that it has generally been recognized by the House that such inquiries are of a private nature and must serve our own purposes. Had I not been satisfied with the inquiry that was conducted, I could have used other means and turned to a higher level, but I think that this inquiry was performed very efficiently and that the situation is back to normal in that penitentiary.

[*English*]

Mr. Howard (Skeena): Mr. Speaker, may I direct a supplementary to the hon. gentleman and counter his suggestion. It is not a well recognized practice. Such inquiry reports have been made public on previous occasions. In any event, inasmuch as there appears on the Order Paper under the name of the government a referral to the Justice and Legal Affairs Committee specifically dealing with penitentiaries, specifically for the committee to travel, and specifically to look at the situation in Prince Albert, does the minister not think he could take the members of that committee into his trust and let them see the report?

Mr. Speaker: Order.

SUGGESTED STUDY OF PROBLEMS BY COMMISSION

Mr. John Gilbert (Broadview): Mr. Speaker, may I direct a question to the Solicitor General. In view of the recurring riots and troubles at Prince Albert and St. Vincent de Paul penitentiaries and others across the country, would the minister set up a commission of experts to study these problems so we can have better enforcement of penitentiary administration throughout the country?

Mr. Diefenbaker: Better administration.

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, following the publication of the Ouimet report, two

commissions have been established, whose task it is to inquire into the penitentiary system. There is, in my department, a commission that sits permanently, and there is an interdepartmental commission that meets as required. These days, this is indeed required, as was probably the case five years ago, and as it might be five years from now. Therefore, it is a permanent problem, and it is reviewed on a permanent basis in order to improve the situation that prevails in our penitentiaries.

* * *

[*English*]

EXTERNAL AFFAIRS

INTENT OF UNITED STATES AUTHORITIES REGARDING FUTURE USE OF GOOSE BAY AIR FORCE BASE

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, as some nameless voice keeps refusing unanimous consent to reasonable motions, I should like to direct the following question to the Secretary of State for External Affairs. In view of today's announcement regarding an approximate 40 per cent reduction of the military force at the United States Air Force base at Goose Bay and some reduction of the civilian force at the same base, will the minister undertake immediately to determine the intent of the United States authorities with regard to the future of that base?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the announcement from the United States government made clear, the United States and Canadian governments have already been very closely in touch on all aspects of this matter.

Mr. Peddle: Mr. Speaker, I have a supplementary for the Minister of National Defence. Will he give immediate consideration to the defence committee's recommendation that Goose Bay be reactivated as one of the strategic Canadian bases for maritime command operation, for Arctic patrol and for patrol of Canada's coastal waters?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, we have had that under consideration for some time.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a further supplementary for the Secretary of State for External Affairs. I think the people in that part of Canada have a right to know what their future is—

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

Mr. McGrath: Mr. Speaker, I was merely trying to lay a premise for my question which is very urgent and important. Has the government determined what are the intentions of the United States government with regard to the future of this installation which is so important to the economy of that particular part of the country?

Mr. Sharp: Yes, Mr. Speaker. The reductions are part of a thinning out process on the part of the United States government. To answer the question directly, it is not the intention of the United States government to declare Goose Bay surplus to United States' requirements. They intend to retain the base.

DISCUSSIONS WITH UNITED STATES ON USE BY CANADA OF GOOSE BAY FACILITIES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wonder if I could direct a supplementary to the Minister of National Defence. Has the minister had any discussions with the United States military authorities in respect of the use of their base and facilities at Goose Bay?

Hon. Donald S. Macdonald (Minister of National Defence): I have not personally had discussions but I would be quite prepared to inquire to see what departmental or military discussions have taken place.

UNITED STATES AIR FORCE PERSONNEL REDUCTION, GOOSE BAY—CONTINGENCY EMPLOYMENT PLAN FOR DISPLACED CIVILIANS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I should like to ask the Acting Prime Minister whether the government has a contingency plan such as was alluded to by the hon. member for Grand Falls-White Bay-Labrador and when the House might be apprised of the plan the government has in mind to offset the impact of the reduction or thinning out the minister mentioned, which is a reduction of 40 per cent?

Hon. Mitchell Sharp (Acting Prime Minister): Yes, Mr. Speaker. The number of civilian employees involved is 30. As I understand it, about half will be laid off and the remainder will accept alternative employment with the United States Department of Defence. The Department of Manpower and Immigration and the Department of Regional Economic Expansion are working very closely with the local authorities in an effort to minimize the impact. As a result of the representations we made to the United States government, they have substantially improved the conditions for the release of the employees. Under the circumstances I think we have done everything reasonably possible to mitigate the effects of this reduction.

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COMMUNICATIONS

INQUIRY AS TO LOAN BY GOVERNMENT TO TELESAT TO BE REPAID BY ISSUANCE OF SHARES TO PUBLIC

Mr. David Lewis (York South): Mr. Speaker, I had a question for the Minister of Communications who is scheduled to be here today, but in his absence perhaps I might direct it to the Acting Prime Minister. Has the government decided to make a loan of some $30 million to Telesat during the next two or three years, with the intention that the loan be repaid in a few years by the issuing of shares to the public?

Mr. Speaker: I wonder whether the question is so urgent that it should be asked during the oral question period. The hon. member is referring to something which

might be done within two or three years. It seems to me that normally this kind of question should be put in writing. If there is urgency which is not apparent to me, perhaps the minister might want to reply to the hon. member's question.

Hon. Mitchell Sharp (Acting Prime Minister): I will take the question as notice. It is the kind of technical question to which I could not ordinarily be expected to have the answer.

Mr. Lewis: On a point of order, may I explain to Your Honour that I must have worded my question badly. The decision is being made now.

Mr. Speaker: Order, please. In any event I do not think that should be considered as a point of order. The hon. member's question has been allowed and an answer of sorts has been given to him.

Mr. Lewis: Yes, of sorts, Mr. Speaker. May I ask the Acting Prime Minister a supplementary question? When he draws the matter to the attention of the Minister of Communications, would he consider whether it should be a loan or whether, in view of the fact that the Canadian people will be taking the risk, we should not add to our equity ownership in Telesat?

Mr. Speaker: The hon. member's supplementary question is in the form of a submission.

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NATIONAL SECURITY

PUBLIC ORDER (TEMPORARY MEASURES) ACT—INQUIRY AS TO DETENTION OF PERSONS WITHOUT CHARGE

Mr. Eldon M. Woolliams (Calgary North): I should like to direct a question to the Minister of Justice. As several weeks have gone by now since the implementation not only of the War Measures Act but of the Public Order (Temporary Measures) Act, is anyone now incarcerated who has not been charged with a particular offence either under the Code or under the special new legislation?

Hon. John N. Turner (Minister of Justice): I will take that question as notice in view of the way it was put.

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EXTERNAL AFFAIRS

COMMONWEALTH CONFERENCE—SPEECH BY PRIME MINISTER

Mr. Heath Macquarrie (Hillsborough): I should like to direct a question to the Acting Prime Minister. It concerns the proceedings at the Singapore conference. Would the Acting Prime Minister be good enough to obtain and hopefully table in the House a copy of the Prime Minister's set speech in which he urged the abolition of set speeches at such gatherings?

Mr. Speaker: Order, please.

Mr. Nesbitt: I have a supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. I suggest it would be difficult to accept a supplementary question to a question which is clearly not in order. I will return to the hon. member in a moment. At this time I recognize the hon. member for Spadina.

* * *

WELFARE

PROVISION OF EMERGENCY FUNDS TO MUNICIPALITIES

Mr. S. Perry Ryan (Spadina): My question is for the Acting Prime Minister. In light of the statement of the mayor of Saskatoon regarding a national survey of municipalities and their welfare and unemployment pressures this winter, is the government prepared to provide emergency funds for the municipalities beyond what was stated in the budget?

Hon. Mitchell Sharp (Acting Prime Minister): I expect that this subject will be on the agenda of the meeting of welfare ministers later this month.

Mr. Ryan: Has the government conducted its own survey of the impact of unemployment on the services and finances of the municipalities? If so, will the minister table the government's findings?

Mr. Sharp: The government is generally aware of the impact upon the municipalities, but there is no special survey that could be tabled.

* * *

YOUTH

RECOMMENDATION BY TASK FORCE THAT SERVICE COLLEGES BE ABOLISHED—REQUEST THAT REPORT BE TABLED

Mr. David Orlikow (Winnipeg North): I should like to direct a question to the Minister of National Defence. Are he and his officials giving consideration to the recommendation made by the task force appointed by the Secretary of State to look into the problems of youth to the effect that service colleges should be abolished?

Hon. Donald S. Macdonald (Minister of National Defence): I would say that would be speculation on the part of the hon. member.

Mr. Orlikow: I would like to ask the Minister without Portfolio in charge of Information Canada whether he would consider tabling the recommendations made by the task force appointed by the Secretary of State, which I understand have now been given to the minister?

Hon. Robert Stanbury (Minister without Portfolio): I think the Secretary of State said in the House a few days ago that when the final report was available and had been considered by cabinet, he would give consideration to tabling it or making it available in some other way. I believe he answered that question a week or ten days ago.

Inquiries of the Ministry

[*Translation*]

INDUSTRY

MANIWAKI, QUE.—DISCUSSIONS REGARDING SUBSIDIZATION OF SOGEFOR LIMITED

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

Is he in a position to tell this House whether he has had any talks with the government of the province of Quebec with a view to granting money one way or another to the SOGEFOR plants in Maniwaki and Lac-des-Îles?

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, Mr. Speaker.

Mr. Speaker: Does the hon. member for Abitibi wish to ask a supplementary question?

Mr. Laprise: Yes, Mr. Speaker. I would like to ask the minister whether he intends to get in touch with the Quebec authorities or the SOGEFOR management and come to an agreement which might forestall the closing of the plants on March 5 next?

Mr. Speaker: The hon. member is making a suggestion which he must assume will be taken into account.

* * *

[*English*]

REGIONAL ECONOMIC EXPANSION

PRINCE EDWARD ISLAND AND NEWFOUNDLAND—PROPOSED INCENTIVE GRANTS TO PRIMARY INDUSTRIES

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I should like to ask the Minister of Regional Economic Expansion whether the government is giving consideration to a proposal from the Atlantic Provinces Economic Council to allow primary industries in Prince Edward Island and Newfoundland to qualify for regional incentive grants in view of the failure of the program in these two provinces?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I am not aware of this request. It has likely reached my department and I shall have the opportunity to discuss it.

[*English*]

PARTICIPATION BY MINISTER IN NEWFOUNDLAND CONFERENCE

Mr. James A. McGrath (St. John's East): In view of the criticism levelled at the minister and his department by the Premier of Newfoundland, is it the minister's intention to participate in the economic conference planned in Newfoundland for February 4, and will he have his five-year development plan ready by that time?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I have seen several letters and statements from Mr. Smallwood congratulating the Department of Regional Economic Expansion, but I am not aware of the last one. Unfortunately, I shall be unable to attend this conference.

[Mr. Stanbury.]

[*English*]

DRUGS

LEGALITY OF POSSESSION OF HALLUCINOGEN MDA

Mr. Gordon Sullivan (Hamilton Mountain): I have a question for the Minister of Justice. In view of the recent death of Tom Coles in Toronto caused by sniffing the hallucinogen MDA, is the government considering making possession of this drug illegal?

Hon. John N. Turner (Minister of Justice): I suppose that question falls more properly under the authority of the Minister of National Health and Welfare, but because of its importance I should like to answer it now. The question, I think, is based on an editorial in a Toronto newspaper to the effect that MDA is not covered under the present legislation. I am advised that in fact the drug MDA was added to Schedule J of the Food and Drugs Act on November 26, 1969. It is therefore a restricted drug, and both possession and trafficking are currently unlawful.

Mr. Diefenbaker: What was the name of the newspaper? It is so far behind the times.

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UNEMPLOYMENT INSURANCE

INABILITY OF DISPLACED BOWATERS MERSEY SAWMILL EMPLOYEES TO COLLECT BENEFITS

Mr. Lloyd R. Crouse (South Shore): I wish to direct my question to the Minister of Labour. Because of a decline in the sale of lumber the Bowaters Mersey Paper Company closed its sawmill in Bridgewater, Nova Scotia, on December 15. However, its employees have been unable to collect their unemployment insurance to date. In view of the seriousness of their economic situation, will the minister investigate the matter to determine the reason for the non-payment of claims?

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ST. LAWRENCE SEAWAY

OPPORTUNITY FOR MEMBERS TO EXPRESS VIEWS PRIOR TO ACTION ON TOLLS

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Acting Prime Minister. In view of the visit of the Minister of Transport to Washington, presumably on the St. Lawrence Seaway toll matter, will the Acting Prime Minister assure the House that there will not be any action, unilateral or otherwise, by the Canadian government on this matter until members of the House have had a chance to express themselves, preferably in the Standing Committee on Transport and Communications?

Hon. Mitchell Sharp (Acting Prime Minister): I think I can give one assurance, namely, that it will be some time before a decision is taken.

Mr. Lincoln M. Alexander (Hamilton West): In view of the fact that the Minister of Transport is absent because of his meeting with his United States counterparts on

this very important issue, would the Acting Prime Minister, in his charitable way, advise or instruct the Minister of Transport to make a statement on motions immediately on his return to Canada on what conclusions were reached in his discussions with his U.S. counterparts?

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CANADIAN BROADCASTING CORPORATION

DESIGNATION OF MONTREAL REPORTER AS FOREIGN CORRESPONDENT IN PUBLICATION

Mr. W. B. Nesbitt (Oxford): I have a question for the Secretary of State, but in his absence perhaps I might direct it to the Acting Secretary of State or to the Acting Prime Minister. Possibly the matter should be raised as a question of privilege, but I think I will follow the alternative of putting it as a question.

I have in front of me a copy of a publication of the Canadian Broadcasting Corporation called "Closed Circuit". The headline on the front page reads, "CBC Foreign Correspondents Picked Stories of the Year", and there are pictures of six so-called foreign correspondents, one from Moscow, one from Washington, one from the United Nations, one from the Far East, one from Paris and one, Mr. Peter Daniel, from Montreal.

Some hon. Members: Oh, oh!

Mr. Nesbitt: It may seem somewhat humourous, but in view of the present circumstances in Canada it seems to me to be a rather serious matter that a Crown corporation, the CBC, should publish something like this that can be used by many in this country as an excuse for certain actions. I was wondering—

Mr. Speaker: Order, please. I wonder if the hon. member proposes to ask a question following the statement he has made.

Mr. Nesbitt: Your Honour, perhaps there was a little disturbance in the House. I was going to say, would the Acting Prime Minister or, preferably, the Acting Secretary of State look into this matter and provide some explanation to the House since the CBC costs the country $180 million a year?

* * *

GRAIN

INCREASE IN WHEAT DELIVERY QUOTAS TO FILL MANITOBA ELEVATOR SPACE

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the minister in charge of the Canadian Wheat Board. In view of the fact that as of mid-December some 50 per cent of the elevator space in the province of Manitoba was vacant, could the minister advise the House whether a further immediate increase in general wheat quotas will be provided to allow more of this space to be filled more quickly than will otherwise happen?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, as the House well knows, it is our hope that the elevator system will not be overfilled and that it will be in a position to operate at peak efficiency. It is true, of course that an extra number of deliveries out of Manitoba elevators led to a depletion of stocks in those elevators during the last part of 1970. Since that time wheat quotas have been opened and an additional five bushels has been added to the barley quota bringing it up to 20 bushels throughout all Manitoba blocks. We think that with these actions we will soon see an increase in the stocks in these elevators.

Mr. Benjamin: In view of the number of complaints that various Members of Parliament have been getting about the amount of space in country elevators, can the minister advise us how quickly the remaining seven shipping blocks still on a three-bushel general quota will be raised to four bushels, and when we can expect a further general increase for all shipping blocks?

Mr. Lang: No, Mr. Speaker. My information from the Wheat Board is that most of the blocks were in fact put on the four-bushel quota for wheat. Those which were not were ones in which space was required for barley movement or the movement of other grain. The Wheat Board makes these judgments according to the amount of grain required for market, and with the system of shipping blocks it has some confidence that the grain can be delivered in time.

PRODUCTION AND RECEIPTS PROGRAM—DEVELOPMENT OF COMMUNITY PASTURES

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, may I ask a related question. I raised the original question on Monday last when I asked the minister whether community pastures would no longer be opened up as has been done under PFRA. The minister indicated that I had misstated the facts. I have obtained a copy of the pamphlet issued by the minister in which he says that "any programs and policies which tend to encourage the breaking of new land would be discouraged." I wonder whether the minister wishes to correct the wrong impression he apparently left at that time and also his allegation that I misstated the facts?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, perhaps I might say that the statement which the hon. member has just quoted is correct, whereas the statement he referred to earlier was not.

Mr. Korchinski: May I ask the minister whether it will no longer be policy of the government to open community pastures?

Mr. Lang: Mr. Speaker, the difficulty with that question is that it goes well beyond the narrow issue contained in the other statement. The exact nature of ARDA agreements, which are very often involved and which I think the hon. member is really referring to, involves discussion between the provinces and the government. I would not want to preclude the possibility of, in certain cases, certain specific agreements being entered into.

Inquiries of the Ministry

PRODUCTION AND RECEIPTS POLICY—CONSIDERATION OF ALTERNATIVE MANITOBA PLAN

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, my question relates to the answer the minister gave me on Wednesday with regard to his meeting with the Minister of Agriculture of Manitoba. Since the Minister of Agriculture of Manitoba has advanced a program for assistance to farmers that is obviously far superior to the stabilization program presently—

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

Mr. Gleave: Mr. Speaker, would the minister give consideration to the advantages of the alternative plan advanced by the Minister of Agriculture of Manitoba?

Mr. Speaker: The hon. member's supplementary question is a representation. He has to assume that it will be taken into account. The Chair will recognize one more member for a supplementary question on this subject, the hon. member for Regina East, after which we will go to another matter.

PRODUCTION AND RECEIPTS POLICY—METHOD OF TAKING INCREASED COSTS INTO ACCOUNT

Mr. John Burton (Regina East): Mr. Speaker, may I ask the minister in charge of the Canadian Wheat Board if the government, in reviewing its original proposals in the grain policy statement, is giving consideration to means whereby increasing costs can be taken into account in its stabilization proposal?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, we are of course looking at all suggestions which might be made to us, including the one put to me the other day by the Minister of Agriculture of Manitoba. Of course, while looking at it we should note that the producer contribution required for that plan would be in the order of 12 per cent.

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REGIONAL ECONOMIC EXPANSION

APPLICATION BY FALCONBRIDGE NICKEL FOR GRANT—ALLEGED DISCRIMINATION

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. In view of a statement made by the Ontario Minister of Mines that the federal government has discriminated against Ontario in the matter of a regional development grant to build a smelter for Falconbridge Nickel at Bécancour, Quebec, can the minister say if Falconbridge Nickel ever applied for a grant to build a smelter in Ontario and, if so, was its application turned down?

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member is asking about events which took place some time ago. I think his question ought to be put in writing or, if it is urgent, it could be considered at the time of adjournment.

[Mr. Lang.]

EXTERNAL AFFAIRS

STATEMENT BY PRIME MINISTER AT COMMONWEALTH CONFERENCE—RELATIONSHIP TO UNEMPLOYMENT IN CANADA

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I direct a question to the Acting Prime Minister which is related to a statement attributed to the Prime Minister in Singapore today. In one of his major contributions he delivered a lecture to his colleagues from Asia and Africa about the fact that the 1970's would be a decade of grave problems flowing from social unrest. While welcoming this belated recognition, may we also hope that it will also be reflected in a change of government policy toward the hundreds of thousands of unempoyed in this country?

* * *

HEALTH

ASSISTANCE TO UNEMPLOYED, PENSIONERS AND WELFARE RECIPIENTS IN PAYMENT OF DRUG COSTS

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, in the absence of the Minister of National Health and Welfare may I direct a question to the Acting Prime Minister. In view of the large numbers of unemployed persons, low income pension recipients and people on welfare who are provided with medical care under the medicare legislation but who have no funds to purchase drugs, and in view of the urgency of filling the prescriptions of these unfortunate persons without delay, may I ask if the minister has any plans to take care of this situation immediately?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I will refer this matter to the Minister of National Health and Welfare who will be in the House within the next day or so.

Mr. Knowles (Winnipeg North Centre): He is supposed to be here today.

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WELFARE

INQUIRY AS TO AGENDA OF FEDERAL-PROVINCIAL MINISTERS' CONFERENCE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a question to the Acting Prime Minister. In view of the importance of the federal-provincial welfare ministers' conference which is to begin on Monday, can he tell us what the agenda will be and whether extra assistance is to be advanced to provinces because of their rapidly depleting welfare budgets?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I will not personally be attending that meeting. It will be attended by the federal ministers responsible. I am sure the agenda will be released as soon as it has been agreed upon. It has to be agreed to, as I think the hon. member will concede, by the provincial ministers concerned.

ROYAL CANADIAN MOUNTED POLICE

PROVISION OF OVERTIME PAY

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Solicitor General. Can the hon. gentleman advise the House if studies now under way relating to overtime pay for the world's finest police force, the Royal Canadian Mounted Police, will lead to action this year?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): This matter is under very active consideration, Mr. Speaker.

* * *

[*English*]

CANADIAN NATIONAL RAILWAYS

NEWFOUNDLAND—LOCATING OF MISSING BUS

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is directed to the Acting Prime Minister. Has the missing CN bus in Newfoundland, with 25 people on board, been found yet? It has been missing since yesterday. This is a most important question. This bus replaced the Bullet. We are wondering if the bus has been found, with the 25 people on board, and if we could have a report on the condition of the passengers?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I will make urgent inquiries.

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FINANCE

ALLEGED EARMARKING OF MONEY FOR TRAINING OF QUEBEC COLLEGE GRADUATES ONLY

Mr. Robert C. Coates (Cumberland-Colchester Hants): Mr. Speaker, may I direct my question either to the Acting Prime Minister or to the Minister of Manpower and Immigration. Has $2 million been earmarked by a Treasury Board minute for the training of college graduates and others from the province of Quebec only? If that is so, why have these funds been earmarked for graduates from Quebec only?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I will have to take that question as notice to see what type of program is referred to. Of course, the increases which have taken place recently have been across the whole of the country. This could be true only if it related to a specific program which might not have been proposed somewhere else.

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GRAIN

WHEAT—MANDATORY SUPPORT PRICE LEVEL—SASKATCHEWAN WHEAT POOL RECOMMENDATION

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, may I direct a question to the minister responsible for the Wheat Board. In view of the current study taking place in the agricultural industry with relation to the minister's statement last October on an agricultural stabilization program, can the minister indicate whether he is willing to accept the Saskatchewan Wheat Pool's recent recommendation that the present legislation be amended to increase the mandatory support price level to 100 per cent of the national average for the previous five years rather than the present mandatory level of 80 per cent of the national average for the past ten years?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, that question has reference to a program under the jurisdiction of the Minister of Agriculture.

Mr. Southam: Could I then direct my question to the Minister of Agriculture?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am not aware that the Saskatchewan Wheat Pool has made that recommendation directly to my office. I will check to be sure.

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MANPOWER

SUMMER EMPLOYMENT OF YOUNG PEOPLE ON MOTOR VEHICLE SAFETY AND ACCIDENT RESEARCH

Mr. Barry Mather (Surrey): I wish to address a question to the Minister of Manpower and Immigration. Bearing in mind the efforts the government is now making to reverse the tide of unemployment, is consideration being given to employing young people this summer such as is being done in the United States on motor vehicle safety and traffic accident research and prevention?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, as far as I know this is not a part of the general programs which are being considered for this summer in particular. I will have to check with at least two departments to determine whether the federal government is taking any action or proposing anything with regard to this particular field.

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VIOLENT DISTURBANCES

PREDICTED INCREASE—DISCUSSIONS WITH AND ASSISTANCE FROM UNITED STATES

Mr. Louis-Roland Comeau (South Western Nova): My question is for the Secretary of State for External Affairs. Two separate studies published in the United States recently predict more violence in Canada in the near future. Can the minister say whether this subject has been discussed officially with the U.S. government? Also, can the minister say whether help was requested from or offered by the U.S. government to prevent an extension of violence in Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The answer to both questions is no, Mr. Speaker.

Inquiries of the Ministry

HOUSING

STATUS OF MORTGAGE ON ROCHDALE COLLEGE, TORONTO

Mr. W. C. Scott (Victoria-Haliburton): My question is for the Minister without Portfolio in charge of housing in his capacity as the minister responsible for Central Mortgage and Housing Corporation. Can the minister inform the House as to the present situation with regard to the outstanding mortgage on Rochdale College in Toronto?

Hon. Robert K. Andras (Minister without Portfolio): I will be making a more elaborate statement on that situation in the not too distant future. In the meantime I can advise the House that the mortgagee met the payments in the last three months consecutively.

Mr. Alexander: Mortgagee or mortgagor?

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CANADIAN PACIFIC RAILWAY

REFUSAL TO COME UNDER PENSION BENEFITS STANDARDS ACT—GOVERNMENT ACTION

Mr. John L. Skoberg (Moose Jaw): I have a question for the Minister of Finance. It is further to my question some time ago concerning the Canadian Pacific pension plan being brought under the provisions of the Pension Benefits Standards Act. Can the minister now state whether Canadian Pacific has been required to bring their pension fund under the Pension Benefits Standards Act?

Hon. E. J. Benson (Minister of Finance): Such a letter was written to the Canadian Pacific Railway requiring this. The CPR has objected, which it is allowed to do, to the Superintendent of Insurance. The matter is presently under review.

Mr. Skoberg: Can the minister state positively whether the CPR has been given a further deferral or is it now in violation of the law in accordance with this Act?

Mr. Speaker: Order, please. The hon. member is asking the minister to express a legal opinion. In those terms the question is not in order.

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[*Translation*]

NATIONAL SECURITY

ALLEGED INFILTRATION OF UNITED STATES COMMUNIST PARTY INTO CANADA

Mr. Gérard Laprise (Abitibi): I want to put a question to the Minister of Justice.

On December 17, I asked him whether he had any knowledge of evidence heard by the Senate sub-committee on internal security, as well as of reports and laws concerning security in the United States which were the subject of a study under the direction of Senator James O. Eastland.

The minister answered at that time that he would examine the report. Could he tell us now whether he has read this report and deems it necessary to take action against Communist infiltration into Canada?

[Mr. Sharp.]

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I read the relevant part of the report but I do not contemplate at this time taking any action in this regard.

• (3:00 p.m.)

[*English*]

GOVERNMENT ORDERS

NORTHERN CANADA POWER COMMISSION ACT

AMENDMENTS RESPECTING MEMBERS, FUNDS FOR INVESTIGATION OF PROJECTS, ADVANCES FOR CAPITAL EXPENDITURES

The House resumed, from Wednesday, January 20, consideration of the motion of Mr. MacEachen (for the Minister of Indian Affairs and Northern Development) that Bill C-193, to amend the Northern Canada Power Commission Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Deputy Speaker: The hon. member for Peace River (Mr. Baldwin) on a point of order.

Mr. Baldwin: Mr. Speaker, I was intending to speak on the amendment. I assume that it may be Your Honour's intention to deliver a decision on the amendment offered by the hon. member for Yukon (Mr. Nielsen). I will defer my remarks until after Your Honour's decision.

Mr. Deputy Speaker: As the hon. member for Peace River suspects, the Chair would like to make a decision on the proposed amendment offered yesterday by the hon. member for Yukon (Mr. Nielsen).

Hon. members will recall that during the course of the debate on second reading of bill C-193 yesterday, the hon. member for Yukon proposed an amendment which the Chair ruled to be not acceptable from a procedural point of view. The reasons for the decision were given at that time. The hon. member for Yukon then sought, and was granted, unanimous consent of the House to move another amendment. It might be helpful to hon. members if I briefly refer to the main motion and the amendment. The President of the Privy Council (for the Minister of Indian Affairs and Northern Development) moved:

That Bill C-193, to amend the Northern Canada Power Commission Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

The hon. member for Yukon moved the following amendment:

That all the words after "that" be left out and the following inserted:

"this bill be not now read a second time but that the subject matter thereof be referred to a task force appointed under the Inquiries Act."

Hon. members will notice that the amendment proposed by the hon. member for Yukon is in the same terms as the amendment moved on January 13 by the

hon. member for Calgary North (Mr. Woolliams). At that time the Chair expressed reservations about the procedural acceptability of the amendment. It was accepted only by the unanimous agreement of the House. When the hon. member for Yukon proposed the amendment yesterday, the Chair expressed the same reservations and stated that the amendment would not be acceptable without further consideration, unless the House unanimously agreed that it should be accepted. There was no agreement. The Chair then heard representations from hon. members on the question of the acceptability of the amendment, given the fact that there was no agreement.

The Chair reserved the decision. I have now had an opportunity to further consider the authorities and to read and consider the very helpful contributions made yesterday by those hon. members who assisted the Chair on the procedural point. I have come to the conclusion, regretfully, that the amendment cannot be accepted. I will not repeat what I said yesterday afternoon on the point that the amendment proposes a reference to a body which is not now in existence. As mentioned yesterday, there are precedents and authorities which, in proper circumstances, would permit the Chair to accept such a motion when the proposed reference was to an existing entity constituted or empowered to accept the kind of undertaking or study that would be required should the amendment carry.

The hon. member for Winnipeg North Centre (Mr. Knowles), in his assistance on the procedural point, referred to citation 386(2) of Beauchesne's Fourth Edition as authority for accepting the amendment proposed by the hon. member for Yukon. The citation reads:

> An amendment urging the setting up of a select committee to consider the subject matter of a Bill, might be moved and carried, if the House were adverse to giving the Bill itself a second reading and so conceding the principle.

With the greatest respect to the hon. member, it seems there is a distinction which I should try to draw. As hon. members know, there is a well established form of amendment on second reading, namely along the lines that this bill be not now read a second time, but that the subject matter thereof be referred to such and such a standing committee. This procedure must be preserved, not for the sake of form alone, but because the law and practice of Canada and this House has recognized effective methods of dealing with legislation.

When legislation is referred to a body which is outside the legislative process, such as is provided in the proposed amendment, we are endeavouring to add a new arm to the legislative machinery. In so doing, the amendment fails to meet the requirement of what is generally referred to as a reasoned amendment, as defined in citation 382 of Beauchesne's Fourth Edition. In my view, the hon. member's proposed amendment is a substantive proposition and not acceptable as an amendment. Having said this with reference to citation 386(2), I want to add that I think it is a very helpful authority. I am sure hon. members are ingenious enough in their drafting skills to draft an amendment in circumstances such as these, based on the authority of that citation, which would be acceptable to the Chair.

Mr. G. W. Baldwin (Peace River): May I first say, as a postscript to the decision which Your Honour has just delivered, that it is my intention to accept it. Of course, I am bound to do so. However, let me say frankly, it might be helpful, it might be useful that the hon. member for Yukon (Mr. Nielsen), myself, the hon. member for Winnipeg North Centre (Mr. Knowles) and others did exercise our ingenuity not, as I said rather facetiously yesterday, to break new ground but to improve our practice. I hope the Parliamentary Secretary to the President of the Privy Council (Mr. Jerome) and others on the treasury benches are listening.

As a result of new rules adopted in this House we have argued on this side of the House, and I think correctly, and I think admittedly, that the rights of minorities, the rights of members of the opposition and of private members generally have been seriously restricted. That change, of course, was a direction of the House to the Chair. But it was done in the hope and belief that new precedents would be established and that the committee would from time to time examine the decisions of the Chair based on these new rules so that we could adopt procedures in this House adapted to the needs of today. Unfortunately, this has not been done. I understand the dilemma in which the Chair finds itself. The Chair is driven to resort to precedents and citations which are based on Standing Orders as they may have been 20, 30, 40 or 50 years ago. The Chair cannot break out of that corral but we are in a different situation and there should be different rules. I will leave it at that.

I hope members on the government side will recognize that if opposition parties and members are to do their duty to the people of this country, and to their constituents in particular, there must be a more flexible approach. I am not saying this in a contentious way. I think it is an important problem; what we can do in this House, the restrictions which have been placed upon us, the new way we approach legislation must be borne in mind in our attitude to the rules. I am not saying this in criticism of the Chair. The Chair is bound by precedents and citations, precedents established 20, 30, 40, 50 or even 60 years ago. In the light of the rules of today, it is like comparing apples with elephants. I am grateful to Your Honour and to the House for being allowed to transgress the rules to this limited extent.

I want to deal with this bill. I commend to the House the arguments made by my hon. friend from Yukon which are specifically related to these proposals as they affect the people of the north. He has made a reasoned and eloquent statement of the facts. He has based it on principles which we in this country and, indeed, on this continent, have held for a great many years, that when we consider the question of power rates, like taxes, there must be an equitable disposition of them. I think my hon. friend made it plain that the effect of this amendment would be to create an unfair and inequitable distribution of power rates. My hon. friend from Yukon, speaking as a spokesman for this party, carries with him the full endorsement of Her Majesty's Loyal Opposition with regard to this issue.

Speaking in a more general way on the subject opened up by the hon. member for Kootenay West (Mr. Harding), to some extent the Parliamentary Secretary (Mr. Buchanan) when he opened this debate took a wide approach; he gave us the background of this legislation and the reasons for it. I want to ask the House to look at one aspect in the light of an amendment I propose to make—and I have now been driven to accept the established precedents. I hope the House will take note of what I have to say. As a northerner, I flew over that part of the country many years ago. I flew over Yellowknife when it was only a gleam in some prospector's eye; I have been down the river with judicial parties years and years ago and I know something of my hon. friend's aspirations and beliefs as to what may be accomplished in that country. We want to see proper development there, but because of one or two incidents which have been brought to our notice we want to make sure that the development which is brought about is one which can be brought about without harm or damage to the people of the country, to the ecology or to the orderly development of northern Canada.

I can indicate this best by relating it to one incident connected with the development of power in the north. I am free to do so because clause four of this bill provides that the Commission may investigate projects and advise the Commission of the Territories or of the Yukon of the areas which might be served. Under this heading, it is possible for any project for hydro electric power or power derived from the use of gas which may come down from the northern part of the Territories to be devised and put into effect. The bill provides carte blanche for this Commission to investigate and engage in almost any power project. We had an example of such a project which was not in the Territories precisely. As was said by the hon. member for Yukon, this Commission is interested in power projects outside the Territories and outside the north. I recall the project for the establishment of the Bennett Dam on the Peace River, a project which was referred to by the hon. member for Kootenay West in his speech yesterday. Anyone who knows the north knows that the Peace River and the Athabasca river systems join together to form the Slave River then flow into the Great Slave Lake and thence through the Mackenzie River into the Arctic. Up to about the 59th parallel of north latitude we find an extension of the great central plain of North America.

It is the only part of the North American continent where these rivers which are susceptible of the production of power also provide a means of transportation. There are in Russia three or four rivers which provide an equal and adequate service, but we have only one in this country. This whole issue was the subject of a discussion at Yellowknife early this year. It may well be that the Parliamentary Secretary was there when people prominent in public life, scientists and others interested in the north, gathered to discuss this among other issues. What about transportation into the north? What about the use of the rivers? What about the provision of power? How can it be done? How can it be safely and economically provided. One issue which was raised very strongly was: will it be necessary in the future, to come to a decision as to whether or not the waters of the Peace-Athabasca-Mackenzie system might well be dedicated both to the provision of transportation and also to the provision of power through hydroelectric projects. No decision was made on this, but it is an issue we shall have to face. Just today a question was asked about the establishment of a pipeline for the carriage of natural gas from the far north to the central part of this continent. So we are dealing with a major issue.

• (3:10 p.m.)

Therefore, I return to the point I started to make about the dangers that may be faced if the commission has to consider whether or not it should recommend to the government the construction of projects for the production of power. As I said, we have had a classic example of what can happen in connection with the Bennett dam on the Peace River. As the hon. member for Kootenay West, and I think also the hon. member for Brandon-Souris (Mr. Dinsdale), said yesterday, here was a situation where the province of British Columbia placed across the Peace River where it passes through the Rocky Mountains a gigantic earth dam for the production of power that would be taken down to the central and southern part of British Columbia, and possibly even to the United States. This dam was initiated in the beginning of 1963. It was because I was concerned about this construction, had been in the northern part of my province as well as the Northwest Territories, and had realized the relationship between the quantity of water that would be discharged into the Mackenzie system and the construction of the dam, that I started to ask some questions in this House.

I started asking questions shortly after the session commenced in June, 1963. I asked the Hon. Paul Martin, now government leader in the other place, who at that time as Secretary of State for External Affairs was greatly concerned with this project and attempting to arrange a tripartite agreement between the United States, Canada and British Columbia, the following question on June 5, 1963, as reported at page 673 of *Hansard:*

> Mr. Speaker, I have a question for the Secretary of State for External Affairs arising out of a report he made to the house today on the negotiations with the government of British Columbia.
>
> Did these discussions touch on the question of the application by the government of British Columbia or any authority of this government for approval under the navigable waters act of the Peace river dam project? If so, was any undertaking, conditional or otherwise, given to the premier of British Columbia?

With his classic capacity for uttering a great many words expressing very few thoughts, the minister replied:

> As the hon. member will appreciate, while we are in the first stage of negotiations it would be undesirable as well as improper to deal with subjects which were or were not covered by the negotiations. I can say no more at this time.

I was still gullible enough to believe that the then Liberal government would be willing to answer my question, so I pursued the matter on June 14, when I asked the then Minister of Public Works, now the dis-

tinguished Speaker of the other place, the following question to be found at page 1167 of *Hansard:*

Mr. Speaker, I have a question for the Minister of Public Works which is prompted by the questions already asked dealing with the agreement between the province of British Columbia and the government. Has the minister any knowledge of an official application made by the province of British Columbia or any agency or authority of that government under the Navigable Waters Protection Act for leave to proceed with the Peace river dam project?

The then Minister of Public Works replied as follows:

Mr. Speaker, I will have to inquire and I will answer this question on Monday.

I then asked this supplementary question:

If any such application is received, will the minister assure the house that despite any commitment which might have been made by his government there will be an ample opportunity for the many thousands of residents who live downstream from this proposed project to make representations to the government with respect to this scheme?

On June 18, I again asked the then Minister of Public Works whether he was in a position to answer the question I had asked. He replied that it was a hypothetical question and went on to say:

However, if it should occur, the act provides for a 30 day public advertising period—

and so on.

I kept pursuing the matter through 1963 and finally in the fall struck some gold. I had asked the then Minister of Justice, the Hon. Lionel Chevrier, who on June 27, 1963 was Acting Prime Minister, the following question found on page 1633 of *Hansard:*

My question arises out of a reply I received from the Minister of Public Works last week. Has an opinion yet been formed in his department as to the legality of the province of British Columbia continuing construction of the Peace river dam without having obtained approval under the provisions of the Navigable Waters Protection Act?

The minister replied:

Mr. Speaker, while I remember the question, I am afraid I will have to take this as notice and inquire further.

So, at least I got notice taken of the question. Finally, on October 14 of that year, I repeated the question to Mr. Chevrier, as reported at page 3529 of *Hansard:*

Mr. Speaker, I would like to ask the Minister of Justice whether he can answer the question I asked him the other day in a situation the urgency of which is sharpened by the fact that I understand the waters of the Peace river are now being diverted. The people of the country are anxious to know whether the river, which was plied by large ships 50 years ago, is still to be regarded as a navigable water.

Mr. Chevrier replied:

Mr. Speaker, the hon. member was good enough to remind me of this question some time last week. I have the reply to his question here and it is as follows. The advice I have received is to the effect that the works in question are included in the class of works to which the Navigable Waters Protection Act applies. The position has always been taken by the Department of Public Works that the Navigable Waters Protection Act applies to a provincial government or an agency itself.

That was the statement that was made at that time. There is a rule, of course, about the securing of legal opinions, but because of the importance of the issue the then Minister of Justice was good enough to give me that reply. So, the fact is the record shows that more than seven years ago a statement was made by the constitutional adviser to the government, the chief law officer of the Crown, that it was essential that the province of British Columbia apply under the Navigable Waters Protection Act for permission to construct the dam, and to file a statement regarding the type of works to be initiated. That was not done.

I continued to press the Minister of Public Works for the next year and a half, but eventually I satisfied myself that because the federal government was overly anxious to secure the passage of an agreement with the government of the United States and wanted to get the credit for this, it had shut its eyes to the necessity of the government of British Columbia securing permission to construct the dam. As a result, the province of British Columbia, illegally and improperly, and in contravention of the act, constructed this dam and is at least morally responsible for the consequences.

I do not want to say anything more about the legality of this issue since actions are now pending. This is something that I hope the Parliamentary Secretary and the minister will take into account. But what has been the result of this? We have here a situation where the damage to which the people of Alberta, downstream from the dam, might be subjected was obvious to me, both as a representative of the people and from personal observations that I had made. Yet this government and the government of British Columbia blindly, stubbornly and persistently refused to examine the matter and went ahead with the project. Today, several thousand people have suffered directly. The water and sewage system of the town of Peace River has been affected and damage to the tune of $100,000 or more has been suffered. The livelihoods of about 1,500 people, part of them in the Northwest Territories in the area of the Peace-Athabasca delta, have also been affected.

• (3:20 p.m.)

People have asked me what brought this about. With northern rivers, there is a seasonal flood in the spring. The seasonal flood of the Peace River was such as to prevent the waters of the Athabasca joining the Peace to flow down into the Mackenzie. In the result, there was a constant wash in this delta and it became and has continued to be a natural sanctuary. This delta was on the route of one of the international flight-ways for migration birds. The birds rested there. Wild animals were there in great quantity. Recently, the federal government made some studies and established beyond any shadow of doubt, from a count of the birds and animals, that there has been a very drastic reduction in wildlife in this particular area. Finally, Mr. Speaker, and this is the thing of consequence, because what has happened probably cannot be undone, the engineering by nature, which may have taken 15,000 years to develop, has been wiped out by man in seven years.

But beyond that, what about the north? What about the Mackenzie system, a river system which provides a moderately inexpensive means of transportation right to the Arctic for three, four or five months of the year, depending on what part of the system navigation is being engaged in during those months? I am sure that Northern Transportation officials, a Crown agency operating in that country, will bear me out when I say there has been a very substantial deterioration in the capacity of that basin to carry traffic because of the Bennett Dam. What was done by the Province of British Columbia, illegally and improperly, has caused, is causing and will continue to cause a very serious situation by reducing the level of the water with regard to the possibility of transportation. This is something at which the government and the people of Canada must look.

Is there enough water flowing down that system to provide for additional power production and still maintain a reasonable means of transportation in the months during which navigation can be pursued in the spring? In addition to that, what about the ecological damage? I pressed the government on this. I asked the Minister of Fisheries and Forestry (Mr. Davis) about this, and also the Minister of Indian Affairs and Northern Development (Mr. Chretien). I have received no answer.

Events, Mr. Speaker, have a habit of overtaking us. We may well find that the commission may make recommendations to the government concerning future projects in that country, and decisions will have to be made. If what I am told about future development in the north in respect of gas, oil and other things is correct, then we may find that time is not with us. We have not got that much time. I suggest it is incumbent on the government, without any further delay, to establish a commission of inquiry composed of scientists, of people from the north and of people in public life, to examine this issue so that a decision may be arrived at within a reasonable length of time as to the extent to which the waters of the northern territories, particularly of the Peace, the Athabasca and Mackenzie systems, including the Great Slave Lake and the Slave River, may be utilized for power production and/or for transportation.

I make this plea in a nonpartisan way. Time will not wait for us. Because of the great demand, both in Canada and in the United States, for increased production of power, of natural gas, oil and other minerals, there may well be a very considerable acceleration of development in the north. That happened when the government of the Right Hon. gentleman from Prince Albert decided to proceed in 1957-58 with the very wonderful project of the roads to resources, and finally the Pine Point railway. We found that this opened up development and brought people and industries there at a rate that had never been anticipated. Now, this has been slowed down but, Mr. Speaker, there is every indication of it being revived, and revived in a very substantial way.

Before this comes about, there is a responsibility on the government to ensure that there is close and detailed examination of the potential for the development of power as related to the need of the waters for transportation, and in particular as related to the potentially very serious ecological damage as well as to the welfare and well being of the native peoples of the north. Probably this may be a little irrelevant, Mr. Speaker, but I point out that in the northern parts of this area there have been no treaties with the native peoples. Inadequate as the treaties are in other areas between native peoples and our government, in the northern parts of Canada there are no treaties at all. We have taken their lands; we have taken their forests; we have taken their waters. I submit there is a duty upon us, representing the people of this country, to make sure before any more damage is done that we have a good idea of what the situation is. With that in mind, Mr. Speaker, and so that this may be brought about I want to move now, in accordance with the time honoured traditions and precedents of this House, seconded by the hon. member for Saint John-Lancaster (Mr. Bell), that all the words after "that" be deleted and the following substituted:

"this Bill be not now read a second time but that the subject matter thereof be referred to the Standing Committee on Indian Affairs and Northern Development

Mr. Speaker: Is the House ready for the question? The hon. member for Gander-Twillingate.

* * *

BUSINESS OF THE HOUSE

Mr. Jerome: Mr. Speaker, may I rise briefly on a point of order? It has been the last speaker's habit on Thursdays, at the end of the question period, to ask for the order in which the government will continue to call its business, but understandably in his anxiety to participate in the debate today he overlooked doing so. As I indicated last night when the same question was asked, there was no intention to change the order at that time, but there has been a slight change in the order now. We would propose to follow this debate by going directly to Bill C-215, the Textile and Clothing Board measure, and thereafter to follow with the Crop Insurance Bill, then Bill C-207, the government organization bill, the Canadian National Railways financing bill, the statutory instruments measure and then, after that order, the Yukon minerals measure. Again, if any changes are to be made from that order we would endeavour to notify the opposition House leaders at the earliest possible moment.

Mr. Baldwin: Mr. Speaker, because there had been this very momentous change, notice of which we received only today, I thought it better to wait until an announcement was made because it might well be that the government would have further changes to make.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in view of the fact that the CNR financing bill is fairly high on this list, can the Parliamentary Secretary indicate whether some agreement has been reached regarding the pensions of retired employees of the CNR? This would facilitate the handling of that bill.

Mr. Jerome: Mr. Speaker, I am fully aware to what extent that would facilitate the handling of the bill, but I am not able to make any further statement at this time.

Mr. Nielsen: Could the Parliamentary Secretary indicate whether it is the intention of the government to withdraw the Yukon minerals bill and, if not, when is it likely to see the light of day again?

Mr. Jerome: It is not the intention of the government to withdraw that measure.

Mr. Nielsen: And when is it likely to see the light of day again?

Mr. Jerome: As I indicated on that list, it follows after the statutory instruments measure.

GOVERNMENT ORDERS

NORTHERN CANADA POWER COMMISSION ACT

AMENDMENTS RESPECTING MEMBERS FUNDS FOR INVESTIGATION OF PROJECTS, ADVANCES FOR CAPITAL EXPENDITURES

The House resumed consideration of the motion of Mr. MacEachen (for the Minister of Indian Affairs and Northern Development) that Bill C-193, to amend the Northern Canada Power Commission Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I would like to say a few words on this bill. The remarks made yesterday by the Parliamentary Secretary and by the hon. member for Yukon (Mr. Nielsen) about the far reaching effects of this measure, were very disturbing to a number of hon. members. From reading the act itself, the proposed amendments and the resumé read into the record by the Parliamentary Secretary, it would appear that the purpose of the original Crown agency was to supply electric power and other public utilities in northern Canada. I wish to say a few words primarily to support some of the contentions offered and some of the questions raised in respect of the infiltrations of government and the consequent discouragement of private investment, not only so far as the Yukon is concerned but also the Northwest Territories and Labrador, which of course is one of the great frontiers of the Atlantic region.

• (3:30 p.m.)

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member at this early stage of his remarks, but I am inclined to place some close limits on the debate we should have on this bill. I realize that since the debate started yesterday we have gone rather far from the principle of the amendments which are before us at this time. Although I realize this might have been done a little earlier, today I must bring to the attention of hon. members that what we have before us are very specific amendments. The act which this bill seeks to amend is not before us. I have some doubt concerning whether at this stage we should become involved in a debate on the policy of the government as it affects all northern regions of Canada. I do not wish to be unfair to the hon. member. I always hesitate to raise a point of order, especially before an hon. member has spoken. Perhaps I am being unfair in this instance because I am not sure what the hon. member proposes to do. However, I feel that at one point or another there, should be a statement by the Chair to the effect that we should try to limit our discussion to the bill which is before us.

The rule of relevancy is one of the most difficult rules for the Chair to apply. Very often after an hon. member has spoken, the Chair rises to say we have gone beyond the terms of the legislation before the House. I am not sure if the right way to do it is by making this statement before the hon. member has spoken, but I thought we might become too involved in difficulties if in the course of today, tonight, tomorrow and perhaps on subsequent days, we should engage in a general debate concerning policy in northern Canada and, as the hon. member suggested, not only in the Yukon Territory and the Northwest Territories but even in Labrador or perhaps other northern regions of the country. All this having been said, I am sure the hon. member will have an interesting contribution to make and we will follow it with interest.

Mr. Nielsen: Mr. Speaker, on the point of order raised by Your Honour, perhaps I might say with respect that Your Honour's lack of familiarity with the bill and the legislation which is in existence might be responsible for the comments Your Honour has just made. I point out to Your Honour that the bill under discussion concerns an agency of government, the Northern Canada Power Commission, which has authority to conduct its activities not just in the Yukon Territory and the Northwest Territories but throughout the whole of Canada. The amendments which the bill before us purports to make, and which if passed would become law, affect indeed every region of Canada in light of the authority of the commission to operate in all parts of Canada.

Having said that, Mr. Speaker, it would seem to me, with great respect, that not only are the hon. member's remarks in order but also all those made yesterday in view of the very broad operational authority which is conferred upon the NCPC by the initial legislation and by the bill before us.

Mr. Speaker: That is the hon. member's opinion. I do not share it entirely. In any event, the Chair will hear the hon. member for Gander-Twillingate (Mr. Lundrigan).

Mr. Lundrigan: Mr. Speaker, back east there is an expression about taking the wind out of one's sails. I certainly would not wish to leave the impression that that has happened, but it could happen under certain circumstances. When I have finished my remarks I am sure Your Honour will be in a position to judge whether or not I have established the relevancy of my remarks. One reason I want to address my remarks in a general way is related to the conclusion voiced in 1969 by the Yukon Electric Company at a committee hearing when it

referred to the discouragement of private investment in the north. Perhaps I should say more correctly that the reference was to the uncertainty about whether the government wanted private investment to be involved. This would seem to be the essence of the principle involved in Bill C-193. I would interpret the bill as a disincentive for private investment and I believe the remarks of the hon. member for Yukon (Mr. Nielsen) yesterday clearly indicated what could happen in northern Canada, in the Yukon Territory and in other parts of Canada if this bill were passed. As the hon. member for Yukon indicated, the jurisdiction of the commission is certainly much more extensive than merely the Northwest Territories and the Yukon. This view is borne out by the property the Commission has acquired outside this area.

Yesterday, in referring to the NCPC activity in the northern part of Canada, the Parliamentary Secretary mentioned the breakdown of the investment in power between government and private enterprise. As recorded at page 2590 of *Hansard* he said:

> The federal government, largely through the Northern Canada Power Commission owns approximately 75 per cent of the generating capacity in the north with 10 per cent being controlled by three private utility companies and 15 per cent being controlled and operated by private organizations primarily associated with mining operations.

In reflecting on this the Parliamentary Secretary, of course, is acknowledging quite rightly that the NCPC and the government are not the only agencies responsible for distributing power in northern Canada. He is acknowledging the fact that 25 per cent of the investment in that part of Canada is private. I believe the hon. member for Yukon elaborated on this, and perhaps clarified it somewhat, when he said some $250 million has been invested by private companies in the distribution of power and in the provision of utilities in parts of northern Canada where the commission itself found it impossible or not feasible to provide services of this kind.

Again, in advancing the position of the government, the Parliamentary Secretary indicated the reason for the amendments. As recorded at page 2591 of *Hansard,* the Parliamentary Secretary stated:

> The act we are considering today, Mr. Speaker, was last amended in 1956. It is being amended at this time so that the commission can adopt a more flexible approach in meeting northern needs and in planning future long-term power development in both territories.

Perhaps the key phrase in that expression is "a more flexible approach". The government is planning a more flexible approach. I think I should indicate that, although the statement here is not very explicit, it is very important in terms of its implications. The quotation continues:

> The proposed amendments are as follows—: One, to increase the number of commission members by two. Two, to change the amount of the investigation or studies' fund from $50,000 to $250,000. Three, to allow the commission to set regional rates rather than to charge on the basis of individual plants costs.

Perhaps the following could be considered the key amendment proposed in Bill C-193.

> Four, to allow the commission to defer repayments of principal and interest where new capacity is in excess of immediate demands.

[Mr. Lundrigan.]

• (3:40 p.m.)

> Five, to eiminate the requirement that the commission obtain Governor in Council approval to undertake any project or enter into any contract in excess of $50,000.

The first thing that strikes me, having read the proposed amendments under Bill C-193, is that certainly we have to accept the argument that by not requiring each plant to operate as a most efficient unit we are actually encouraging inefficiency. The commission, and this has been stated repeatedly in reports and in hearings down through the years, was charged with trying to despatch its obligations with efficiency. Each unit was responsible for reporting to the government its operating costs, the generated revenue, as well as circumstances which would result in a loss by that unit because public tax dollars would have to be used to offset such loss.

It seems to me the amendments which are being proposed indicate that the government is asking all the units to pool their reporting, and in reporting to government to indicate in a general way what the situation is in respect of the distribution of power by the commission. In that respect it certainly will not be obvious to the Canadian taxpayer or resident of the Yukon or Northwest Territories exactly how successful each unit is in returning to its ratepayers some of the generated revenue through a reduction in rates.

The hon. member for the Yukon indicated yesterday a second position which is certainly worthy of notice, and that is that some of the operations in northern Canada have been so efficient that one of them declared a profit of 600 per cent in one year. Of course, the hope has been that at least some of the revenue would go to the constituents—and here I am using the word "constituents" in a general sense—in the form of a reduction in the cost of power. What we are going to get now, according to the hon. member for the Yukon, is actually an increase in taxes for the people in those areas where operations have been efficient and where the return has been the greatest. In other words, according to the reports made to the House yesterday, some areas will be receiving the benefit of the efficiency in other parts of northern Canada.

Perhaps the most serious aspect of the legislation is the lack of incentive to private investment in the north and the uncertainty as to whether any private dollar should be invested in the Yukon or the Northwest Territories. I contend that this has tremendous relevancy to the whole question of northern development which has, to a large extent, been the area of development in Canada in the last decade. In 1969, the Yukon Electric Company indicated to the committee that they were very concerned about the position of the government with regard to private investment. As a matter of fact, the question of whether the government wanted private investment in northern Canada was raised specifically by that company.

I believe it was last Wednesday that one of the members from Canada's newest province raised a question in the House directed to the Minister of Finance (Mr.

Benson), which is recorded at page 2370 of *Hansard*. The question reads as follows:

Mr. Speaker, my question is for the Minister of Finance. In view of the decision by Wabush Mines to shelve plans for a three million ton expansion of its iron ore production in Labrador because of tax uncertainty, and in view of Brinco's reluctance to develop the Lower Churchill Falls power project for the same reason, can the minister say when he will present his tax reform legislation to the House?

The Minister of Finance indicated in response that he did not accept the premise of the hon. member's question and that he did not agree with the hon. member's conclusion. I might say for the record that later on, outside the House, the minister admitted he had misinterpreted the question. In fact, there has been a cancellation of a major development project in northern Canada because of the uncertainty of the direction of the tax proposals. I contend that this is a very serious situation and is certainly retarding the development of the northern part of Canada which, according to the members who have taken part in the debate to date, is the object of Bill C-193 and which, on the surface, appears to be a rather innocuous piece of legislation. The fact is that the utility companies in the Yukon and the Northwest Territories which are able to provide power in many parts of northern Canada make a profit, stay in business and are willing to expand. This indicates that there is certainly a place for private investment. As a matter of fact, if the Canadian north is ever going to develop, incentives must be provided as well as tax reform to allow private enterprise to participate in that development.

Last year we brought before the people of Canada a proposal in the form of a white paper to amend the taxation structure. Contained therein was a proposal to eliminate the three year concessionary tax arrangements which Canada has with mining, exploration, and development companies operating mainly in the northern part of Canada. The original reason for the concessionary tax arrangements with mining and development companies was to promote the development of northern Canada. The simple reason was that the risk factor in developing the north is great. Many more companies have failed than have succeeded. Companies have to gamble and a tremendous amount of risk capital is involved. In Labrador, which most economists, developers and planners feel is one of the great frontiers of the nation, there are great timber resources and especially a great mining and hydro potential. Private capital is badly needed. We have already heard that one company has shelved one of the major projects planned for that part of Canada because of the uncertainty which exists about the government's intention with regard to tax changes as well as the arrangement and organization of corporations doing what would normally be done by individual entrepreneurs.

In supporting the encouragement which is contained in Bill C-193 for Canadians to invest in the north, I would like to place on the record the conclusions reached by the president of one of the largest companies in the world, the British North America Company, or Brinco. Last July 22, 1970, Mr. Bill Mulholland, an outstanding North American and a young man with tremendous knowledge who replaced the former president who was unfortunately killed in a plane crash in northern Canada last year, was being interviewed by the Committee on Finance, Trade and Economic Affairs which toured the Canadian nation and heard the reports and briefs presented by various institutions and organizations in response to the government's white paper. Mr. Mulholland was being interviewed in St. John's, Newfoundland. I would like to read into the record one of the major reasons for the great concern among private businessmen about trying to develop our north and providing utilities in our last great frontier.

• (3:50 p.m.)

On page 7 of Report No. 77, the gentleman in question is reported as follows:

Finally, I would like to mention in particular that these proposals have some fairly serious implications for future projects. If we are contemplating today a project similar in nature to the Churchill Falls project,—

And let us remember, Mr. Speaker, that we are talking about a project built with private capital in northern Canada costing $1 billion. We hope that it will start generating power some time in 1971. I continue quoting:

—let us say in size, in the time period required for its construction and commercial arrangements extending over several decades, the effect of these proposals would be to render highly doubtful whether or not you could responsibly undertake to do it as a private company or a company such as ours where our shareholders in Churchill Falls are a mixture of both government and private organizations.

I do not think these exchanges have ever been placed on the record of the House. The reason is, I think, that the hearings took place in St. John's and the national media are not greatly concerned about reporting events in St. John's. If the hearings had been held here, what was said would have constituted a major news story. Mr. Mulholland indicated pretty well that if the Churchill Falls project were contemplated today, with our present uncertainties, it would never get off the ground. On page 10 the report contains the following exchange between the present Parliamentary Secretary to the Prime Minister (Mr. Danson) and Mr. Mulholland:

Mr. Danson: Yes, it is pretty apparent in your brief. And you also say that the proposals would discourage subsequent development of a similar nature. Would this really discourage them to the extent that they would not take place, or would a company such as yours adjust like all businessmen to whatever circumstances are and then make their deals according to the new rules?

The Parliamentary Secretary was talking to Mr. Mulholland about a proposal, on the drawing boards, to develop the lower Churchill complex at Gull Island. This is to cost $1 billion of private money. The report continues:

Mr. Mulholland: One of the principal reasons for being a private business is that it justifies our existence and our willingness to take risks. In this particular project, BRINCO, the parent company, had invested $115 million prior to the end of 1968 before we had a power contract. One does it, of course, assessing the risks and the returns. The problem under these rules in the future in another project, is where would you raise

the equity capital to get something like this started again. They do not, as a rule, spring forth full-blown with all of the uncertainties removed so that one goes to the market and raises money with no risk or uncertainties at all.

That was not the history of the Churchill Falls project. It is a history of great credit, I think, to private enterprise because individual shareholders of whom there are a great many right here in this province did have faith and confidence enough in the project to invest their money when it was not at all certain that all of these things would come to fruition and the project would go forward. Under this régime it is very difficult to see how one could responsibly ask people to do that, much less how one would persuade them if you were going to ask them.

There, in so many words, you have one of the most responsible men in North America in the field of investment saying that, in view of present tax uncertainties and encroachments by governments on areas that rightfully belong to business, such a project as the Churchill Falls Power development which could best be undertaken by private enterprise, would not be possible. This is especially true in view of present uncertainties and the psychological depression rampant in Canada. There, we were talking about a $1 billion project to develop a major source of power in Canada.

Last week, we heard that the government of Quebec was conducting an investigation into its rivers which flow into James Bay. That government wants to know the potential of Quebec rivers because great, future developments will be necessary on that frontier of Quebec if that province is to harness its resources. It hopes to harvest the benefits of such development. I do not know whether the government plans to move into this area—

An hon. Member: It does.

Mr. Lundrigan: —and dominate it completely. Does it want to control northern Canada and northern Canadian development?

An hon. Member: It does.

Mr. Lundrigan: If that is its plan, that ought to be clearly and effectively spelled out, so that business concerns such as the Yukon Electrical Company can take their investment and go elsewhere. That, precisely, was the conclusion of that company which was of major importance in northern Canada. It concluded that private business, in this area, could do a much more efficient job than the government. Such companies are saying, "If you want us to go from the area, let us know, so we can move out and develop other projects in other parts of the world."

I contend that, in view of legislation such as Bill C-193 which is now before the House, the government has a responsibility to the Canadian people, and especially to those in the north engaged in business, to spell out exactly what are its intentions with regard to the development of the northern part of Canada. That is our last great frontier, a frontier which is eyed with envy by our United States neighbour to the south. It contains resources in abundance, resources which will loom large in my opinion, in the future of Canada.

The amendment suggested by the hon. member for Yukon and moved by the hon. member for Peace River (Mr. Baldwin) would, if adopted, have the effect of opening up this matter for wider discussion. We could thoroughly explore the implications of the legislation that has been put forward. I submit that the House wishes to give this matter a much more thorough examination, so that the full implications of this kind of legislation for the northern part of Canada and especially for the Yukon Territory which, I submit, at the moment is being disadvantageously affected can be determined. Some hon. members think that what is being proposed is more or less an experiment with government control in northern Canada. If the experiment is successful, then I suppose the government will use it as an example for bringing about other types of control in northern Canada. If that happens, we can assume that private business will go elsewhere to invest its funds.

Mr. Erik Nielsen (Yukon): Mr. Speaker, the hon. member for Northwest Territories (Mr. Orange) yesterday said, as reported at page 2603 of *Hansard* the right hand column:

I am concerned that our study of this bill may be one of the few opportunities to really understand and know something about the Northern Canada Power Commission and the question of power in the territories. I suggest that perhaps this bill is begging the issue. I believe it is begging the issue of private power versus public power. I believe it is begging the issue of how we can ensure power development throughout northern Canada.

He went on to say that he hoped that an independent commission would be set up to look into the broad question of private versus public power, the functions of NCPC generally, and the like. I see the hon. member present in the House and I say to him that this amendment, if accepted, would do just what he advocated yesterday. It will enable the standing committee to do more than merely consider a few functions relating to the bill before us. It will enable the hon. member in committee to advance amendments which, if accepted, would enable his objectives to be accomplished by the House on the report of the committee. I urge him, and all others of like mind on the government side, to accept the amendment that has been advanced. No one is opposing, at this stage, the referral of this matter to the committee. What we want in committee is the authority from the House for the broadest and fullest possible inquiry into the functions of NCPC. The only way that can be done is for the House to accept the amendment before it. I did not have the opportunity yesterday to place one or two items before the House. I propose to do that now.

• (4:00 p.m.)

I agree with the hon. member for Northwest Territories (Mr. Orange), and other members who have spoken on the bill that the chairman of the Northern Canada Power Commission should not be the same person as the deputy minister of the department. It is the minister, deputy minister and other departmental officials who formulate the policy which NCPC follows. We will get shallow denials of that. The government will say that the policies are formulated by NCPC and that in most cases, approval is sought from the minister. I think we must be practical

and face the facts of life. Policies are designed in the department. The hon. member for Northwest Territories knows that his constituents, particularly those in Yellowknife, have been crying out for years for the establishment of some sort of control over rates. The only way that will be achieved is by establishing a public utilities board. A public utilities board, being an independent body, would be able to review rates and to approve rates proposed by the NCPC.

Another glaring shortcoming in the policies of NCPC is the fact that it does not have agreements for the sale and purchase of power. It now supplies power as a wholesaler to distributors in the Yukon and Northwest Territories. In many instances, where huge dollar amounts of power are supplied, there is nothing in writing. No other business operating in a sound and prudent commercial way adopts such loose policies. The agreements do not exist despite the repeated verbal and written requests of the distributors to have NCPC enter into a contract for the sale and purchase of power.

The history of the private distributor and the private generator in the Yukon is very interesting. In 1958, the existing owners of the private distributor in the Yukon acquired ownership of that entity. Prior to that purchase, Mr. Speaker, Yukon Electrical Company had made verbal inquiries at the federal government level, the territorial level and in the Whitehorse business community. All of these inquiries elicited approval of the acquisition. This required a substantial outlay of funds by the system then owned by the Yukon Electrical Company Limited. The previous owners of that company had been very hard pressed for the necessary money to meet expansion. Efforts to attract capital, including prolonged negotiations with such financial suppliers as the Industrial Development Bank, were unavailing.

At the time of acquisition of Yukon Electrical Company by Canadian Utilities, the distribution system and the diesel plant were in very poor repair. The service was very unreliable and the rates were extremely high. I wonder how many members in the province of Ontario and other provinces would be surprised to learn that my electric light bill in Whitehorse is $48 per month. The average electric light bill, on a monthly basis, in the Whitehorse area is between $15 and $25 per month. These rates are based on a maximum of five cents per kilowatt down to a minimum of 1.6 cents. Compare those rates with the rates existing in southern communities. Compare those rates with the power being supplied in the more northerly communities where diesel fuel has to be hauled in by air transport and other high cost means. The electric power bills for domestic, industrial and government users in those areas are astronomical.

The new owners, having purchased the assets of Yukon Electrical Company Limited, immediately undertook the reconstruction necessary to bring safety and service levels to an acceptable standard under the Canadian Eelectrical Code. In 1957, the lowest level on the step was five cents a killowatt. This has been reduced over the years. Today it is 1.6 cents. The new owners undertook an expansion program which was designed to bring central station service to the smaller communities in the Yukon. This was encouraged by the government. With the encouragement of the then commander of the northwest highway system, when the army was still a substantial force in the Yukon—

Mr. Dinsdale: I thought there was a new policy of military persons in the north.

Mr. Nielsen: There is a new policy. We are led to believe that it is for the purpose of establishing Canadian sovereignty in the Yukon, which I never doubted belonged to Canada. There are four members of the military. They are to resist any encroachment of our sovereignty in that territory.

In 1958, the commander of the northwest highway system encouraged the company. A diesel plant was installed at Haines Junction, 100 miles west of Whitehorse. Service was provided to the Department of National Defence maintenance establishment at that point and the property of the Department of Agriculture experimental station at Haines Junction. I am very sorry to say that is no longer in existence. It was an integral part of the promotion of agricultural development in the Yukon. It is now going to pot. I thought I should add that, since the minister is in the House. It was a very sad decision.

In 1959, the company acquired a small existing diesel plant at Watson Lake, 300 miles east of Whitehorse. At that time the users of electrical power at that location were paying 25 cents per kilowatt hour for their electrical power. The service has now been extended to the entire community. A private supplier is supplying power to the Department of National Defence maintenance establishment at that point and the Department of Transport establishment seven miles away. Private enterprise constructed a distribution line to the airport location. In 1958 the lowest rate at Watson Lake was 25 cents a kilowatt. Since 1965, the rate has been 3.5 cents. I cite that as a classic example for those proponents of a public board in the Yukon who say that private investor owned utilities cannot do the job of supplying power at low cost to domestic and industrial users.

The territorial government of the day and the individual members of the council urged the Yukon Electrical Company to instal facilities in Carcross, 48 miles south of Whitehorse, and Carmacks, 100 miles to the north. In 1960 diesel plants were constructed at both of these locations. At Carcross, 17 miles from that community, a new mine was put into production this year. In each instance, franchise agreements were obtained and entered into with the commissioner of the Yukon. The company subsequently acquired diesel generating and power facilities that belonged to the Canadian army, the Department of Transport and other government agencies throughout the Yukon. It succeeded in combining all of these tangential power developments into one closely knit efficient power system.

• (4:10 p.m.)

What, I ask Members of this House, was the Northern Canada Power Commission doing all this time, operating under a statute which required them to supply and dis-

tribute power to the very communities that the private entrepreneurs eventually went in to supply? They were doing nothing. What is more, all this expansion, requiring huge sums of capital, was carried out by private enterprise from its own funds with encouragement from the minister, from the government. Now, all of a sudden, we propose to change the ground rules and say: Perhaps we needed your capital then to do the job we ourselves should have done, but we do not want it any longer. That is about the size of what is being said.

I will cite another classic example. In 1964, the Territorial Government had to ask the Yukon Electrical Company Limited to supply electrical facilities to the community of Old Crow 60 miles north of the Arctic Circle. This was a responsibility unwillingly inherited by the Territorial Government from the old Department of Indian Affairs and National Resources. The cost to the Territorial Government to supply this community was estimated at 27 cents per kilowatt hour, but the company agreed on a trial basis to serve the community at a cost of 25 cents per kilowatt hour. Service is now being supplied at 15 cents. Again, a classic example—I speak facetiously—of private enterprise, of private investment capital "gouging the community". The government itself set the rate at 27 cents but the community is now being supplied at 15 cents.

As recently as September 1968, the federal Department of Public Works, through the Crown Assets Disposal Corporation, sold to the company its remaining distribution lines in the Whitehorse area valued at approximately $250,000. These lines are now being operated to supply various departments of the federal government as well as other customers in this area. This is significant. This is why I say the government has a responsibility to back away from the reneging it is doing in its business dealings with private enterprise here.

During the tenure of the Yukon Electrical Company Limited in the Yukon, the company has been encouraged by public statements by ministers in not only the present government but in the preceding government, and told that the policy of the federal government was to provide an environment conducive to the investment of private capital in northern Canada. We are backing away at high speed from those guarantees.

In the company's brief presented to the Standing Committee on Indian Affairs and Northern Development, as my hon. friend who has just spoken has pointed out, the owners of Yukon Electrical said this:

> We are concerned that there is developing an atmosphere of public ownership only, and no others need apply.

What they want is a clear statement of government policy that this is not the case, and that private investors will be required to continue to be interested in providing electrical services to the north. How else are the private utilities to plan their operations unless a statement of this kind is forthcoming from the government? They said constantly in the committee: If you do not want our capital in the north, tell us so; take it over and we shall get out and put the money somewhere else in the world where investment is more attractive.

[Mr. Nielsen.]

There is another point in this regard. If members of the House examine the legislation of 1948, and the debate which arose thereon, they will find it is very clear that Parliament did not intend at that time to grant a monopoly to the Northern Canada Power Commission, a monopoly which it is now endeavouring by these stealthy amendments, for which the government must take responsibility, to acquire.

With respect to the establishment of a public utilities, board it has been advanced with a good deal of sense in the evidence before the standing committee that instead of the NCPC making policy decisions as to future developments in the areas under its jurisdiction, instead of the government making those decisions and passing them on to the NCPC to implement, and instead of putting forward the kind of amendments which purport to accomplish this objective in the bill before us, why cannot we use the National Energy Board and all the expertise which is available there for the purpose of reaching these decisions through the Territorial Government. Why cannot we use the National Energy Board for the purpose of adjusting and controlling electrical rates in the north? I hear some people, advocates of NCPC and of the government, talking on this subject, and one would think that the owners of the private development and distribution system in northern Canada were scared to death of rate control and rate approval. Nothing could be further from the truth. Nothing would be more welcome to the private generator and distributor in the north than to see a public utilities board or some similar body set up for the purpose of governing rates, provided, of course, that the NCPC would also be subject to the authority of any such public utilities board. It stands to reason that the user rates of the distributors of residential and industrial power depend on the wholesale rates at which NCPC pipes the power into the distributors' lines.

Another highly objectionable feature in this bill, and a most unbusinesslike one, is the idea of government going into areas on the assumption that only the government can do the job cheaply, although it is a principle accepted by most fair-minded Canadians that the public tender system is the only way to get a job done at the lowest cost to the taxpayer. Precisely this is happening in the operations of the NCPC. They go into an area and they do not give private enterprise the slightest opportunity to tender on the job. Indeed, when private enterprise hears of something which is to be constructed they write to the government and say: Let us take a crack at this; let us submit a bid; we think we can do it as cheaply as you, or more cheaply. The government says: We are not interested in your bids. We know we can do the job and we can do it more cheaply; we can get money cheaper than you can; you do not have the kind of capital we do to carry out such a project. Other shallow and groundless excuses are used as well.

I want to deal for a moment with the Carr Report which was a study of the economic future of the Yukon. The main thrust of this report as it dealt with the supply of electric power was to advocate government ownership of the means both of production and of distribution throughout the north. I see one of the members who was

vitally concerned with the preparation of this report in the House, and it is interesting to note that if you examine the report carefully you find not one single economic fact presented to justify this conclusion. There is not one single piece of evidence in the report to indicate that cheaper power and better service to the consumer would be possible under public as opposed to private development. Indeed, there is not one scintilla of evidence that the public interest would be better served by an organization such as NCPC as opposed to investor participation.

• (4:20 p.m.)

Reference is made in the report to pragmatic rather than ideological reasons being the justification for government ownership; and the suggestion is that the trend is toward government ownership. Nothing could be further from the truth. In support of that statement, I again refer members of the House to the evidence adduced in the committee contained in an appendix to the brief presented by the Yukon Electrical Company Limited. I refer to research into the ownership and regulatory structure of the electrical utility industry in the United States done by one Mr. Schantz. Some very interesting conclusions are reached in that study, among which are that the trend is not toward government-owned utilities, but quite the contrary; and that there should be interlocking co-operation between the private and public sector.

It is interesting also to note that the job of the NCPC is to supply power to northern communities where private investment capital is either unwilling or unable to go. Yet we have power installation and distribution systems—I am confining myself to the Northwest Territories—in the communities of Arctic Bay, Broughton, Cape Dorset, Clyde River, Grise Liard, Hall Beach, Igloolik, Lake Harbour, Padloping, Pengnertung, Pond Inlet, Coral Harbour, Eskimo Point, Rankin Inlet, Repulse Bay, Whale Cove. All of these are owned by the Department of Indian Affairs and Northern Development, and there are others.

If it is the job of NCPC to supply power to those communities where private investment capital is unable or unwilling to go, then why is it not doing the job of generating and supplying power to the communities that appear in the appendix to the thirteenth report of the Standing Committee on Indian Affairs and Northern Development for March 13, 1969? There is no doubt about the ability of the private sector to supply the necessary capital, and in view of the statistics I have put on the record by way of example, further of which is to be found in the reports of the committee in 1969. There can be very little remaining doubt in the minds of hon. members, I suggest, that private investment capital is not gouging the user in power rates. Indeed, the rates of NCPC where it supplies power on a retail basis are generally higher than those of the private generators and distributors.

This is not as innocuous a piece of legislation as it appears. There is every reasonable justification for the members of this House inquiring into the whole, broad aspect of the operations of NCPC and for the committee

that will be examining the bill to make some useful recommendations to the government, having heard evidence throughout the north and from all interested power generators and suppliers, including NCPC. These recommendations may convince the government that it is going the wrong way as far as this legislation is concerned.

However, this kind of broad inquiry is impossible unless the amendment which is now before the House is adopted. Certainly, backbench members on the government side cannot be inhibited in their support for the resolution, because all they are supporting is the broadest possible inquiry in committee instead of the confined inquiry that would result if the resolution standing in the name of the government were accepted in preference to the amendment now before the House.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: The question is on the amendment to the main motion. All those in favour on the amendment will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the amendment (Mr. Baldwin) which was negatived on the following division:

• (4:30 p.m.)

YEAS

Messrs:

Alexander	MacInnis (Cape Breton-East Richmond)
Baldwin	MacLean
Bell	Macquarrie
Bigg	MacRae
Cadieu	McCleave
Coates	McIntosh
Comeau	Marshall
Crouse	Mazankowski
Danforth	Nesbitt
Dinsdale	Nielsen
Dionne	Peddle
Fairweather	Ricard
Forrestall	Ritchie
Fortin	Rodrigue
Gauthier	Rondeau
Godin	Ryan
Hales	Rynard
Howe	Schumacher
Korchinski	Scott
Lambert (Edmonton West)	Simpson
Laprise	Southam
Latulippe	Stewart (Marquette)—45.
Lundrigan	

Division

NAYS

Messrs:

Allmand
Andras
Barrett
Basford
Béchard
Benjamin
Benson
Blair
Blouin
Borrie
Boulanger
Brown
Buchanan
Burton
Caccia
Cafik
Clermont
Corbin
Cyr
Deachman
De Bané
Douglas (Assiniboia)
Douglas (Nanaimo-Cowichan-The Islands)
Drury
Dupras
Duquet
Émard
Faulkner
Forest
Forget
Francis
Gibson
Gilbert
Gleave
Goyer
Gray
Greene
Guay (St. Boniface)
Guilbault
Harding
Harries
Hogarth
Howard (Skeena)
Isabelle
Jamieson
Jerome
Knowles (Winnipeg North Centre)
Lachance
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lewis
Loiselle
Mackasey
McIlraith
Mahoney
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
Morison
Murphy
Noël
Nystrom
Olson
Orange
Orlikow
Otto
Ouellet
Pepin
Perrault
Portelance
Prud'homme
Richard
Richardson
Roberts
Rochon
Rock
Rowland
Serré
Sharp
Skoberg
Smerchanski
Stanbury
St. Pierre
Sulatycky
Thomas (Maisonneuve-Rosemont)
Thomson (Battleford-Kindersley)
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan—98.

• (4:50 p.m.)

Mr. Speaker: I declare the amendment lost. Is the House ready for the question on the main motion?

Mr. Nielsen: I rise on a point of order, Mr. Speaker. An hon. member on our side rose to speak but Your Honour did not see him.

Mr. Nesbitt: Mr. Speaker, it is almost time for private members hour. I was wondering if I might call it five o'clock.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. I apologize that I have to interrupt the thunderous applause to bring to the attention of the House the fact that it is now five o'clock.

[Mr. Deputy Speaker.]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Portneuf (Mr. Godin)—National Security—Presumed infiltration into Canada by American communist party; the hon. member for Hillsborough (Mr. Macquarrie)—Post Office—Suggested meeting with Letter Carriers Union to resolve alleged administrative confusion; the hon. member for Algoma (Mr. Foster)—Regional Economic Expansion—application by Falconbridge Nickel for grant—Alleged discrimination.

It being five o'clock, the House will now proceed to the consideration of private members business as listed on today's Order Paper, namely notices of motions (papers), private bills, public bills. As there are no private bills, the House will proceed directly to notices of motions (papers).

• (5:00 p.m.)

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, there are quite a number of notices of motions for the production of papers that precede the one we shall very likely be discussing. May I say that all those standing in the name of the hon. member for Vancouver-Kingsway (Mrs. MacInnis) are to stand today, as well as the two following it. If notice of motion No. 21, in the name of the hon. member for Winnipeg North (Mr. Orlikow) could be called, we shall proceed with it as agreed.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: All the notices of motions referred to by the Parliamentary Secretary will stand, at the request of the government.

PRIVATE MEMBERS' MOTIONS FOR PAPERS

THE CANADIAN ECONOMY

REQUEST FOR COPIES OF SUBMISSIONS TO ECONOMIC COUNCIL ON CANADA'S COMPETITION POLICY

Mr. David Orlikow (Winnipeg North) moved:

That an Order of the House do issue for copies of the nearly forty submissions presented to the Economic Council of Canada for its review of Canada's competition policy, as referred to in the Council's report of July 1969 at page 4.

He said: Mr. Speaker, this country has had legislation which was designed to prohibit or at least control the ill effects of firms combining to avoid competition. The legislation, now more than 50 years old, has been singularly unsuccessful in achieving the purpose for which it

was ostensibly drafted. For years there has been talk about the need to bring that legislation up to date. Repeatedly, on this side of the House, members of all parties have talked of the adverse effects of combines. There have been innumerable court cases in which some of the most respected firms in Canada engaging in various fields of economic endeavour have been prosecuted and convicted for violating the provisions of the anti-combines legislation. Despite this, Mr. Speaker, the available evidence shows that combines are more prevalent than ever, that they are more effective than ever, and that they continue to be detrimental to the Canadian people. This government announced some time ago that it was studying the question and that new legislation would be brought in at an early date.

The Economic Council was asked to make a study of combines. That study was to relate to the proposed legislation. The Economic Council presented an interim report. I do not want to refer to what is said in the interim report except to point out that, while making its review, the Economic Council received a large number of submissions from important organizations in business, labour and, I suppose, of the academic community, about the problem Canada faces in connection with monopolies and combines.

I am one who believes in that about which the minister has spoken so often since entering public life. I believe in participatory democracy. I believe in letting people know the facts so that they can give reasonable consideration to the problems we face and decide intelligently what can be done. I submit that this cannot be done if the government, whenever it proposes to act, proceeds to make inquiries, proceeds to call for studies and to ask for submissions, and then takes the view that all the material that has been gathered is its private property and that there is good reason for keeping the information secret. I submit that very seldom are there reasons for keeping such detailed information from the public. I am not talking just about Members of Parliament. The ordinary citizens of Canada, the press, the radio and those in television as well as Members of Parliament, ought to have the right to look at the record, to see the arguments advanced for and against a certain proposal, and to make a reasoned judgment as to why certain things should be done or not done. That is what I propose in my notice of motion for the production of papers. The government has refused to comply.

May I take a few moments to point out what has been happening in this country in recent years. Mr. W. F. Lindsay of the merger and monopoly branch of the Department of Consumer and Corporate Affairs supplied certain relevant information to Marc Eliesen, Director of Research for the New Democratic Party, on the subject of mergers. I wish to look at the record and to show how many mergers have taken place in the last few years and how greatly accelerated the rate of mergers has become. According to Mr. Lindsay's report, in 1962 there were 185 mergers; in 1963 there were 129; in 1964, 204; in 1965, 235; in 1966, 203; in 1967, 228; in 1968, 402 and in 1969, the last year for which there are figures, there were 504 mergers. If we look at the rate at which foreign companies are taking over or merging with Canadian companies, we cannot help but be alarmed. All this is taking place at a time when the government has designated a minister to look at the question of foreign ownership and how it affects Canada.

The figures show, for example, that in 1962 there were 79 foreign takeovers; in 1963, there were 41; in 1964, there were 80; in 1965, there were 78; in 1966, there were 80 such takeovers; in 1967, there were 85; in 1968, there were 163 and in 1969, there were 168. We must remember that, in most cases, American corporations are taking over our particularly large companies. Increasingly, American business interests are taking over the most important segments of the Canadian economy. This concerns the people of Canada more and more. It is a problem about which every political party in Canada is concerned. Both the Ontario Liberal party and the Ontario Conservative party are discussing this problem more and more. We, of the New Democratic Party, are not alone in our concern about the increasing control exercised by United States interests of many facets of the Canadian economy. I know that Members of Parliament are aware of the fact that the oil industry, the mining industry, as well as a host of other fields in the Canadian economy, are controlled now almost exclusively by United States concerns. For this reason, we feel that the entire question of combines—and I submit that combines are usually formed to thwart the will of the Canadian consumer—ought to be looked at. We feel that they must be controlled. We feel that the formation of combines such as we have witnessed, Mr. Speaker, must be severely controlled or stopped.

We have called on the government to modernize, to refurbish and to rewrite the entire anti-combines legislation. We are glad that the Minister of Consumer and Corporate Affairs (Mr. Basford) has promised that there will be legislation along that line. We welcome it. I do not say that we shall welcome his proposals; yet we welcome the opportunity to discuss the whole question. Without taking too much of the time of the House may I say, very simply, that we feel we, and the people of Canada, have a right to discuss this question and that we have a right to know all the facts. That is why it is essential that we have the kind of information which was supplied to the Economic Council of Canada for the report which they made. I see no reason why the government has refused in this and many other cases to give the information requested. There can be no other reason for their secrecy except the arrogant feeling of the government that only they are entitled to the facts before they decide on issues and policies, and before they introduce legislation.

• (5:10 p.m.)

I urge the government to reconsider its refusal to supply the information which I requested and to table the submissions made to the Economic Council of Canada on combines and competition.

Mr. Allen B. Sulatycky (Rocky Mountain): I gather from the remarks of the hon. member for Winnipeg North (Mr. Orlikow) that his main concern in moving

this motion is the great number of mergers that have taken place in corporate structures in Canada in the last few years. While it is true that these mergers are taking place, the fact that they do take place is not necessarily bad. Also, the fact that some of these mergers may involve the takeover of Canadian companies by foreign-owned corporations is not something which can be controlled through competition policy. I am sure the hon. member is aware that the Minister of National Revenue (Mr. Gray) is conducting a study to determine in what ways and by what means we can control the evergrowing encroachment on the Canadian economy by foreign owned corporations.

The report of the Economic Council of Canada does not suggest that we do this through a revised competition policy. I believe it would be of value to refer to this report and to quote directly from it. I quote from page 113 of the Interim Report on Competition Policy of the Economic Council of Canada:

> The previous Chapter emphasized that the basic reason for public policy to be concerned with mergers is that in the majority of cases they result in permanent changes in the structure of industry—changes that may have important implications for the future performance of the economy.

This does not mean that mergers should be prevented in order that we may exercise a greater degree of control over our economy and prevent foreign firms from taking over Canadian firms. That is not the sense of this statement. The report continues:

> These implications may be for good or ill or a mixture of both, and can usually be foreseen only very imperfectly. On the good side, mergers may be an important means by which owners who wish to divest themselves of a business or part of a business can do so with a minimum of disruptive economic effects. They may also be the most appropriate means of achieving certain cost savings, or of bringing about industrial reorganizations made necessary by changes in patterns of demand or in the technical conditions of production. On the bad side, mergers may bring about significant increases in market power capable of redounding to the disadvantage of consumers, and that can be extremely difficult to reverse or offset once the merger has been completed.

I wish to reiterate that the council was not concerned in this report about the aspects of foreign ownership which can sometimes be tied to mergers. I gather from the statements of the hon. member that this is his particular concern.

The first point I wish to make is that the 40 submissions referred to by the Economic Council of Canada were not really submissions to the council for its review of Canada's competition policy. In the introduction to the Interim Report on Competition Policy dated July 1969, the council made it perfectly clear that the 40 submissions which were received were in connection with the whole of its consumer affairs reference and not just competition policy. This reference by the federal government, dated July 22, 1966, requested the council and I quote:

> In the light of the Government's long-term economic objectives, to study and advise regarding:
>
> (a) the interests of the consumer particularly as they relate to the functions of the Department of the Registrar General (now the Department of Consumer and Corporate Affairs);
>
> (b) combines, mergers, monopolies and restraint of trade;
>
> (c) patents, trade marks, copyrights and registered industrial designs.

The council has been carrying out this reference on the basis that it will issue a total of four reports. This is specifically set out in the Interim Report on Competition Policy. The first two reports have already been made. The 40 submissions to which reference has been made cover the whole range of the four reports, not only the second report on competition policy.

The first report was the Interim Report on Consumer Affairs which was published in 1967. The second report was the 1969 Interim Report on Competition Policy. The third report will be an interim report on the various aspects of industrial and intellectual property covered by paragraph (c) of the terms of reference. Finally, there will be a fourth and final report which will contain further observations and recommendations, notably on the subject of consumer affairs. It will contain a general summing up of the interrelations between the three main elements of the reference and their place in the broad spectrum of government economic policies.

Shortly after receiving the reference, the council advertised in the media across Canada its readiness to receive written submissions from individuals and organizations with regard to any of the areas to be studied. Nearly 40 such submissions were received. These are presumably the 40 submissions referred to in the motion of the hon. member for Winnipeg North. The council did not undertake to make any of these submissions public. Their invitation was couched in language which would lead the persons submitting briefs to expect that they would be held in confidence. In any event, there were not 40 submissions relating to the report on competition policy. As already noted, some of them deal with subjects about which the council has not even reported.

I suppose it would be possible for the council to identify those portions of the briefs which deal with the competition policy and to secure the approval of each of the contributors to having these portions tabled. What purpose such a tabling would serve in connection with an understanding of the council's report on competition policy is very obscure. After the council made its Interim Report on Competition Policy, the Minister of Consumer and Corporate Affairs (Mr. Basford) extended a similar invitation to all interested parties to make representations with respect to the council's findings and recommendations. A considerable number of such briefs were received.

On December 11, 1969, a motion was made by the hon. member for Waterloo (Mr. Saltsman) requesting copies of all these representations. Subject to agreement being obtained, from those who made these submissions, the minister agreed at that time to table all these documents. In due course agreement was obtained from all of the parties involved to the tabling of the documents and they were all duly tabled on April 29, 1970. Accordingly, it seems very likely that virtually all the substantive representations made in respect of competition policy as such have already been made available to the House as a

result of the tabling of documents by the Minister of Consumer and Corporate Affairs.

• (5:20 p.m.)

The technique whereby submissions are tabled with the consent of the originator is a singularly appropriate one for this sort of situation and, undoubtedly, could be considered in respect of the documents which the hon. member for Winnipeg North wishes to see. Until, however, the Council has prepared its third and fourth reports, it would be unreasonable to require the submission of these papers which might give rise to a debate on the very subject which the Council is attempting to consider in a quiet and reflective manner for the purpose of reporting to the government its considered views. It seems quite clear that the public interest would not be served by the tabling of these submissions at this time. Precedent has left to the minister responsible discretion as to whether to recommend that papers of this type be not produced if he considers it against the public interest so to do. However, once the remaining two reports have been dully completed and rendered to the government, if it is considered by members of the House that there should be production of these papers, consideration could then be given by the government to following the same technique as was followed by the Minister of Consumer and Corporate Affairs with a view to tabling the papers after consent has been obtained from each of the contributors of the briefs.

The interim report on competition policy has far-reaching effects. Its importance lies not only in the recommendations it made regarding mergers, the trade practices of industrial concerns and of certain retail and wholesale businesses. The Council also made recommendations concerning other areas which have not yet been subject to regulation by the federal government. The report suggests that instead of trade mergers, restrictions of trade and similar practices being treated as a criminal offence as we now do under the Combines Investigation Act, we should regard these offences as civil matters. In this lies a serious problem inasmuch as civil matters, as hon. members know, are the sole responsibility of the provinces under our constitution and before the recommendations in the report in this respect could be accepted there would certainly have to be agreement on the part of the provinces that the federal authorities take over responsibility for a field which would then be classified as falling into the civil section. This may be one reason why earlier action has not been taken on the report, but I am hopeful the minister will soon implement some of the recommendations made by the Council in its interim report on competition policy.

I hope that when these steps are taken they will be not only be directed at industrial practices in restriction of trade as we have come to know them; I hope that close attention will be paid to the recommendations the Council made with regard to certain courses of action which are now followed by many of the professional societies in Canada. This is referred to in the report, not at great length but sufficiently to bring to the attention of those concerned the fact that Canadians may be suffering because of restrictions imposed by professional societies in many provinces. This does not necessarily apply to all the provinces or to all the professional organizations but, in my opinion, the hon. member for Winnipeg North would be doing the public a service if he urged that early action be taken to curb the practices of various professional societies which restrict the number of persons who may belong to them so that the services of many skilled people are denied to those who need them at a fair price.

Some time ago I drew attention to the fact that the dental societies in Canada carry these restrictions to the extreme. I pointed out that it was very difficult for a person who received training in a country other than Canada or the United States to become licensed to practice dentistry in Canada. There was an incident which was well publicized during the Czechoslovak revolution. A number of dentists from that country came to Canada, but they were not allowed to practice here even though some of them were fluent in English and were competent in other ways. If my memory serves me correctly, there are only 33 dentists practising in Canada who have obtained their qualifications outside Canada or the United States.

On the other hand, the medical profession is very much dependent on practitioners who have received their training outside Canada. Certainly, half of those in Alberta received their training outside Canada. It seems as though we are allowing our professional societies to say: It is all right for you to do open heart surgery and major operations of that kind, but it is not all right to pull a tooth if you received your training at a university outside Canada. This is the type of restrictive practice which is causing a great deal of concern. It deprives Canadians of certain services to which they should be entitled, and this is the type of thing hon. members should urge the minister to control. I, personally, hope that when he presents a new bill to replace the existing Combines Investigation Act the minister will introduce provisions to ensure there is competition not only among industries and among retail businesses but also in the professions, because as pointed out in this interim report on competition policy this is an area in which there has been a lack of legislation.

I realize that to implement the recommendations of this report as far as the professional societies are concerned would mean stepping on the toes of the provincial governments because the regulation of professional societies, the statutes under which they were formed and under which they operate, are within the jurisdiction of the provinces. But I believe that in view of the concern felt on the subject in this country the provinces would be happy to see the federal government take a lead. I urge the hon. member for Winnipeg North and, indeed, all hon. members to encourage the minister to implement all of this report as soon as possible so that we can eliminate the unjust practices which are taking place in various aspects of the economic life of Canada.

• (5:30 p.m.)

Mr. Maurice Foster (Algoma): Mr. Speaker, the motion before the House for production of papers, moved by the hon. member for Winnipeg North (Mr. Orlikow) asks the government to release some 40 submissions made to the

Economic Council of Canada in regard to Canada's competition policy. These submissions were made in 1969.

Since we live in a free and democratic society, I think our first impulse is to say that all such documents should be made public. On the other hand, the hon. member is asking that the Economic Council of Canada release the submissions. We must bear in mind that when the Economic Council of Canada was established it was made free from and independent of the government. If it were made subject to the wishes of the Minister of Finance (Mr. Benson) and other portfolios in the cabinet, its effectiveness would be destroyed and its recommendations would not be given credibility. So the cardinal principle here is that the Economic Council of Canada be free from and independent of the cabinet; that its recommendations which are made periodically shall not be subject to political pressure from the government. Therefore, it seems to me that if we make demands at will for documents and information from the Economic Council of Canada, pretty soon the independent character which it presently has will be lost. If the documents and submissions made to the council were released, the release should be made by the Economic Council of Canada itself, not by the council on instructions from the cabinet.

It has been suggested that this concept of being independent of and free from political pressure from the government should be expanded and that there should be established a pollution and environment council for Canada; that this council too should be free from and independent of political pressures to enable it to range over the whole sphere of the Canadian environment and to make independent recommendations to the government and to Members of Parliament—indeed, to the whole country. If such a council were established, I am sure we would want it to be an independent body like the Economic Council of Canada, a body freed from political pressure and from demands for papers and documents at will on instructions from the government.

As the hon. member for Winnipeg North said, the present combines legislation has been in force for many years; I think he said about 40 years. The legislation has been very unsuccessful, he alleged, and has not really served the purpose for which it was designed. I do not accept that contention. For example, there have been many prosecutions brought under the act; we read of them at regular intervals. I should like to refer to some of the prosecutions of the Department of Justice under section 33 of the Combines Investigation Act during 1969 and 1970. For instance, there was a prosecution in September of 1969 brought against a company in Regina that was retailing gasoline, and a fine of $100 resulted.

There was a prosecution in Montreal, in August of the same year, involving a manufacturer. This prosecution resulted in a fine of $1,000. There were many prosecutions in that year, including one brought against Imperial Tobacco Products, a cigarette manufacturer, resulting in a fine of $3,000. Not only do companies that are prosecuted have to bear the financial sanctions levied against them, but they also suffer adverse publicity as a result thereof. I am sure it costs the companies hundreds of thousands of dollars in advertising to offset the unfavourable publicity they have received.

[Mr. Foster.]

Therefore, looking at it from all sides, I suggest the legislation is not as ineffective as the hon. member suggests. Many major investigations have been carried out, such as the one involving paving companies in the province of Ontario. In that case very stern action was taken by the provincial government and a great many paving contractors were debarred from tendering on paving jobs for the provincial government for a period of years. There was an investigation made into gasoline pricing in the Sudbury area. Also, there has been an investigation into business forms throughout Canada, as well as a separate investigation in the province of Quebec. However, I think we would all agree with the hon. member for Winnipeg North that all political parties are concerned about price fixing and we all want to have an effective Combines Investigation Branch in our government to keep price fixing under control.

Mr. Steven Otto (York East): Mr. Speaker, in speaking to notice of motion No. 21, I think the hon. member for Winnipeg North (Mr. Orlikow) gave the impression that he is still thinking of competition as it was in the days of Horatio Alger.

Mr. Orlikow: You mean Mackenzie King.

Mr. Otto: Yes, even in the days of Mackenzie King. It is a common belief in many circles today that we have competition of sorts. Any hon. member who has engaged in business during the last 20 years will have discovered that in reality there is no competition, only tolerance. The briefs submitted to the Economic Council of Canada probably reflect this old idea that there is competition, and as a result the Economic Council has made certain recommendations.

The hon. member for Algoma (Mr. Foster) referred to prosecutions of paving companies. I have been familiar with this phase of business enterprise for about 20 years, and the fact is that this industry has not found a proper method of ensuring that the lowest bidder does in fact get the job. This applies not only to paving but to the gasoline industry and many others. The fact is that in this business practically every contract put out for tender requires a great amount of capital to finance it. In other words, these contracts have to be bonded and new machines and equipment have to be purchased. As a result, only a small number of firms can adequately undertake this kind of contract.

• (5:40 p.m.)

On the other side of the picture you have the reliability of the contractor; you have to consider his financial position. I regret that the hon. member for Algoma has left the Chamber, because I am sure he would be interested to know that in this industry it is the large firms which can undertake contracts and the smaller firms usually suffer a loss. If you check the financial pages over the last number of years, you will find that there has been a succession of bankruptcies in this business.

For years municipalities and provinces have been searching for a method by which contracts can be awarded to the person who can do the job at the best price and most efficiently. Such a method has never been worked

out, because usually the person who puts in a low tender is the one who says, "I haven't much work to do, but I want to keep my gang working. I will bid a low price and hope that later there will be a contract on which I can make money." Unfortunately, Mr. Speaker, he loses money on the contract and cannot continue in business. The firms which make money are those which bid for the large contracts of $15 million or $20 million, but these firms are limited in number and they divide the contract among themselves. The same thing applies to gasoline companies.

The hon. member spoke about mergers. If I may deal with that matter for a moment, I would point out that this whole situation has been mixed up with economic nationalism. Originally, mergers were attempts by a company or a group of companies to get control of subsidiary industries which would help them in their manufacturing or sales. It was a good type of promotion. For example, York Air Conditioning or one of the other large corporations acquired control over its suppliers in order to make sure it had an adequate supply of materials and in order to become more efficient.

Mergers are not made for reasons of efficiency; they are made merely for the purposes of the stock market. A company will acquire another company, not because the second company will be of assistance in its activities but because it might have cash reserves. It might have a good sales record in the market; it might have a loss position which could be used by the purchasing company. It is required in order to enhance the shares of the first company.

If the hon. member traces the history of some mergers, he will find that usually they are done on the basis of a group of individuals, "con" artists, getting control of a company. Using the shares, or future shares of the company they have acquired, they acquire yet another company by the transfer of shares and some money. But the new merger requires still another merger with other companies. As they acquire more companies they keep adding to their financial statement as though, indeed, the assets of their great megalopolis were going up. Though they transfer shares back and forth and make a few million dollars on them, eventually the large monopoly finds itself in the position where it cannot pay dividends and naturally the market, in its shares, plummets to the bottom. This is the history of mergers entered into without common sense being applied.

The hon. member talked about competition policy. As I have said, Mr. Speaker, there is no real competition. The days have gone when a small manufacturer could compete against a large manufacturer. The days have gone when someone could start a plant with two or three workmen, eventually get a larger share of the market and expand. Now if he becomes a threat to a large company, he is put out of business in about five minutes or his company is simply acquired. One can no longer produce for the small market. You have to produce for the mass market, and that requires an investment of millions of dollars. How many small entrepreneurs have a few million dollars kicking around in their pockets? There are very few. Instead, you have the large corporations, working fairly efficiently, having almost a monopoly of the market between four or five firms and tolerating small entrepreneurs on the periphery of the market who in turn will supply some good ideas and give the semblance of competition.

Sales are no longer controlled by the consuming purchaser. There is a presumption by the Economic Council and others that it is the purchaser who says, "I want that product. I have this much money. The product is good. This is the thing I want, and I will buy it." The presumption is made that this is a rational decision on the part of the buyer, but that is nonsense. The decisions that supposedly are made by the consumer are in fact made by the producer. The producer knows that he is going to produce so many millions of a certain article, depending upon what his market research has shown. Then he says, "I will spend so many millions of dollars on promotion and I will convince the consumer that he needs my product." As a result, you do not have a free market of any kind; you have the producer, who influences the consumer, who buys the product.

Competition between large corporations depends upon the success of their advertising promotions. This fact has been well documented in the financial pages of the *Wall Street Journal* and other publications. For example, there was trouble in the automotive market within the last few years because money was a little scarce. It was presumed that the automotive manufacturers would get very panicky because their cars were not selling; there was not much money around and people were not buying new cars. Mr. Speaker, that did not faze the manufacturers in any way whatsoever. The manufacturers had made their plans and knew how many cars would be sold in five years, because they had already convinced the American and Canadian public that every individual must have a new car every two or three years.

In between, when this recession cycle came into play, all the manufacturers did was switch the emphasis to the automotive dealer. To him they said, "For the next year or two we will let you make some money on repairs." As we know, each dealer is expected to have a repair section attached to his dealership. For the past two or three years the automobile dealer has been making money on repairs. Now, with the promotion back on new cars, he will be into that market again. The result is that the car manufacturer is not hurt.

Even if these papers were produced, Mr. Speaker, the hon. member would derive no benefit from them because they are based on an assumption that competition exists, that there are small firms competing with the big firms and that it is the consumer who finally makes the decision. I hope I have explained to the hon. member some of the fallacies upon which he would find these papers had been based, and therefore will see that their production is not important.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, this motion gives us an opportunity to consider two important aspects of our public policies. The points that occur to me as being important are, first, the operations of the Economic Council of Canada and, second, the questions of competition policy raised by the report of

the Economic Council, published in July, 1969, on the subject of competition.

I take a very serious view of the motion of the hon. member for Winnipeg North (Mr. Orlikow). I am inclined to share the views expressed by my colleague the hon. member for Algoma (Mr. Foster). It would seem to me to be very dangerous for this House to adopt the procedure suggested with reference to submissions or other material acquired by the Economic Council which would have the effect in the future of impeding inquiries by that body.

• (5:50 p.m.)

As we know, in this country inquiries are now carried on by public agencies, broadly speaking, in one of two forms. The form best known by tradition is that of a royal commission appointed under the Inquiries Act. Such a body holds public hearings and receives well-publicized submissions. To a considerable extent its affairs are conducted in public. In recent years, however, it has been found in Canada necessary to supplement this type of inquiry by inquiries of another kind. These are studies conducted by specially appointed agencies, some of which, as is the case with the Economic Council of Canada, are creations of statutes of Parliament. These bodies are experts in their own right and produce studies of great importance.

We have only to look at the annual reports of the Economic Council of Canada, the Science Council of Canada and other agencies of this type to recognize the importance of their studies. In addition, they produce special studies. Some of these studies are undertaken at their own volition, but sometimes they are requested by the government of Canada. The report now under discussion falls into the second category. I believe that in 1966 the government of Canada requested the Economic Council to study the subject of competition policy and to make recommendations. I have looked carefully at the terms of reference of the Economic Council, and nowhere in them was it suggested, even by implication, that this was to be a public type of inquiry to be conducted as if the council were a royal commission appointed under the Inquiries Act. It was very simply and plainly a reference by the government to this expert body requesting it to bring its knowledge and ability to bear on this important problem.

In the course of its inquiry the Economic Council solicited views from the public. I believe it is within the knowledge of hon. members that advertisements were placed in newspapers. Members of the public who were interested in the subject were invited to make submissions, and some did. The 40 submissions referred to in the hon. member's motion are stated, in the Economic Council's report, to have resulted from their advertisement for submissions. But these submissions were made not for public consumption but for the assistance of the council. Some of these submissions undoubtedly contain a great deal of confidential information.

I think the efficacy of the Economic Council's operations could be destroyed if it were compelled, on the basis of a study like this, to disclose submissions made to it by the public when those submissions were not made under the condition that they might be made public at a later stage. Therefore, on the ground of broad principle I believe it would be a great mistake for us to adopt the motion of the hon. member. I believe in the long run it would lead to a lessening of the ability and influence of the Economic Council in conducting studies which are of importance to Canada.

The other subject which flows from this motion, particularly from the remarks of the hon. member for Winnipeg North, the hon. member for Rocky Mountain (Mr. Sulatycky) and the hon. member for York East (Mr. Otto), is that of the report itself. This, perhaps, is one of the few times the House has made any reference to this report. I have no doubt it will be extensively referred to later in this session when it is expected that amendments to the Combines Investigation Act will be presented. The hon. member for Winnipeg North Centre (Mr. Knowles) has repeated the cynical view often expressed—

Mr. Knowles (Winnipeg North Centre): I did not say a word.

Mr. Blair: I offer my apology to the hon. member for Winnipeg North Centre. My hon. friend from Winnipeg North has expressed the oft repeated cynical view that combines legislation in this country has been ineffective.

Mr. Knowles (Winnipeg North Centre): I agree with that.

Mr. Blair: The hon. member takes as justification for that statement the fact that the combines laws are still being broken and there are combinations in restraint of trade, and so on. If this argument had any validity, one might equally say that the Criminal Code is ineffective.

Mr. Orlikow: Hear, hear!

Mr. Blair: One might also say that many other laws are ineffective—

Mr. Orlikow: Hear, hear!

Mr. Blair: —because they have not completely stamped out crime or any other type of unlawful act. I suggest the combines law has mitigated unsatisfactory business practices in this country. It is said that in the United States the anti-trust laws are always sitting at every board of directors' table. I believe the same is true in this country. There is no question that these laws can be made more effective.

One of the most important features of the report under discussion is the specific, positive suggestions which are made in order to give greater effect to Canadian combines policy. Among these is the suggestion that our combines laws should not be narrowly based, as they are now, on criminal law but should be expanded and civil jurisdiction and civil law should apply to the administration of combines legislation. If there were a greater variety of remedies and more flexibility available to the administrators of our combines laws, I believe it would be possible to achieve greater control and efficacy in combines policy.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

• (8:10 p.m.)

GOVERNMENT ORDERS

NORTHERN CANADA POWER COMMISSION ACT

AMENDMENTS RESPECTING MEMBERS, FUNDS FOR INVESTIGATION OF PROJECTS, ADVANCES FOR CAPITAL EXPENDITURES

The House resumed consideration of the motion of Mr. MacEachen (for the Minister of Indian Affairs and Northern Development) that Bill C-193, to amend the Northern Canada Power Commission Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have had an opportunity of reviewing carefully the remarks made by my colleague, the hon. member for Yukon (Mr. Nielsen), yesterday and this afternoon. It is not my intention to be repetitive or to take up the time of the House in reciting what has already been so ably put by that hon. member. However, I should like to take a few moments to point out to Your Honour and members of the House why a number of people who have no personal knowledge of or immediate association with the Yukon, as I certainly have not, object to the type of legislation that has been presented to the House.

The Canadian north includes the Yukon, of course, as well as the Arctic islands and the Northwest Territories. In recent years the north has been the subject of great interest to all Canadians. I think everyone in Canada is very interested in seeing how this huge area, potentially vastly wealthy in minerals, is to be developed. I think all of us, no matter which party we support, are interested in seeing those resources developed in the best and most efficient way for all Canadians, particularly for those who live and work in the area.

Judging from the remarks of the Parliamentary Secretary in presenting this legislation, and from the remarks of other hon. members, there seems no doubt that there has been very little consideration or analysis of the effects of contributions of private enterprise, as opposed to public or governmental enterprise, to the development of the north. Of course, many superficial remarks were made. As the hon. member for Yukon pointed out, the deputy minister made a number of superficial observations in this regard. Nevertheless, it is quite apparent that there has been no real analysis. We have had what one might call a guesstimate, if I might coin a phrase, as to which is the better of the two ways.

Some hon. members who may not have put their views on record—I do not think it is important whether or not their views are on record—have said that, the Northern Canada Power Commission must be effective because Ontario Hydro has been such a success over the years. I agree that Ontario Hydro has been a great success. It is a publicly-owned corporation, but it is just one publicly-owned corporation that has been a success. It is a non sequitor to say that therefore every publicly-owned corporation will be a success. From the evidence—I call it evidence—presented by the hon. member for Yukon, it is clear that the Northern Canada Power Commission has not developed power very efficiently. It has been unfair with regard to rates charged to some users, and particularly unfair in proposing to equalize rates among the users of the Yukon and Northwest Territories.

The hon. member for Yukon pointed out that the Minister of Indian Affairs and Northern Development (Mr. Chrétien) took a trip to Europe not long ago for the purpose of raising private capital for this and related projects in the north. That was a very commendable effort on the part of the minister. But the minister, despite his efforts in this regard, has apparently been snowed under by the establishment—by that I mean the establishment of senior mandarins in the civil service—many of whom have by hook or by crook penetrated to the front benches of the government party. This sort of thinking has permeated this government and the previous government led by former Prime Minister Pearson.

There is one point that I think is very important. Whether a private or a public enterprise operates utilities such as we are proposing in this bill, it is quite clear there must be some kind of review board to regulate the rates. I say this because public enterprises can become just as vicious, and more so in some cases, than private enterprises. One must consider the psychological effect on civil servants involved in these enterprises. Whenever members of the civil service or of the public service, or whatever one wants to call them, become associated with an enterprise, they invariably feel that they are infallible; they think their decisions are infallible; they become wasteful. Therefore, there must be some check on them.

All too often in the last few years have we seen the growth of boards, commissions, quasi-governmental corporations and organizations all over this country. Some have been federal, others provincial. Once they have been set up there has been no real control over them. In theory they must answer to Parliament, but this is a lot of nonsense. Your Honour knows that, just as the rest of us know it. Once these organizations are set up, they do as they please. The Public Service Commission is a good example, as is the CBC. I could present many other horrible examples of such organizations which, once set up, do as they please. Once they are established they are like Frankensteins' monster; there is no means of controlling them. For that reason, since the government has shown every inclination to establish bodies of this kind, there should be a board composed of members of the cabinet, or people who are elected, to review the rates decided upon by this or any related organization.

I have said on a number of occasions, and I repeat it, that this government and its immediate predecessor have adopted too paternalistic an attitude toward existing development in certain parts of Canada. I refer to the Yukon, the Northwest Territories and elsewhere. Its whole attitude has been, mother knows best or, if you want to put it another way, big daddy in Ottawa knows best.

Mr. Nielsen: The hon. member was right the first time.

Mr. Nesbitt: Both terms are equally good. The government's whole attitude has been: We know what is best for you. Most of these people have never even been in the Yukon or the Northwest Territories, yet they say; we know what is best. You come across that attitude very frequently. You see it in civil servants who came to this country in recent years and acquired senior positions. Of course, half of them have never been outside Ottawa or very far from here. Not only have they seen little of Canada but they have come from other countries. I do not intend to mention names, but there is a long list of them.

Mr. Nielsen: They are the 24-hour experts.

Mr. Nesbitt: They did not do very well in their own countries and have tried to perpetuate their mistakes here.

Some hon. Members: Shame!

Mr. Nesbitt: It is shameful. For a long time the elected members of Parliament have performed their functions adequately. We have always had a very good division of responsibility. Members of this House understand local problems. They enjoy the confidence of those who elected them. More recently the members of a very good public service have carried out the administrative duties relating to political decisions. Some of those engaged in the public service have wanted to do more. Their story is similar to the allegories of the seventeenth and eighteenth centuries that were written in France, Germany and elsewhere. They were considered children's fairy stories, but really they were political allegories. I am thinking of stories like the fisherman's wife who wanted the sun, moon and everything else. Some of our senior public servants were not satisfied with influencing ministers indirectly or doing their jobs for them; they wanted to be in the driver's seat.

• (8:20 p.m.)

This situation became increasingly apparent in the Pearson administration. Right Hon. L. B. Pearson, the previous Prime Minister, was a former civil servant. Mr. Pickersgill, a former minister, was a very eminent, capable and able civil servant. These people did well. The mental attitude of the senior echelon, or mandarins as they are known, moved from the public service into the cabinet. We still find this situation. The President of the Treasury Board (Mr. Drury), the Acting Prime Minister (Mr. Sharp) and the Prime Minister (Mr. Trudeau) are all graduates of the senior school of the civil service. There is little doubt that they dominate the cabinet. This bill is another example of mixing the administrative level of government and the political decision-making which is supposed to be carried out by the elected members. It is true that the Prime Minister and some members of the cabinet, former civil servants, have been elected. We know why they were elected. There are still a number of seats in this country which are regarded as safe political seats: that is how they got here.

There is one matter which does not relate in general terms to the unsatisfactory side of legislation but to this legislation specifically. This was pointed out by the hon. member for Yukon. This bill should not go to committee. It should not be passed by this House until related bills which were passed in the last session, and proposed legislation that will affect that part of Canada, are carefully analyzed as to the impact and economic effect they will have on the Yukon, Northwest Territories and Arctic islands. To pass this bill as it stands would do a great disservice to the development of our country. Canadians are looking forward to the development of our northern territories and their great wealth. This development must be carried out in a way that is best for all Canadians.

Grave doubts have been expressed by members of this House and by nearly all the major organizations in the Yukon. They know best; they have to live with this situation. Many of the theoretical types sit in armchairs in Ottawa and have never visited that part of the country. Some consideration should be given to local wishes in this matter, but the government has not done this in the past. Maybe in 1971, the first year of the seventies, the government will turn over a new leaf and will pay attention to the wishes of the local people, those affected by legislation invented by mandarins in Ottawa. Accordingly, Mr. Speaker, I move:

That all the words after "that" be left out and the following inserted:

"this bill be read upon a day six months hereafter"

Mr. Frank Howard (Skeena): Mr. Speaker, I suppose that "upon a day six months hereafter" means that it not be read upon a day six months hereafter, but just in the hereafter.

Mr. Nielsen: As far as possible, in the hereafter.

Mr. Knowles (Winnipeg North Centre): And read in another place.

Mr. Howard (Skeena): I think it is clear that the purpose is not so much to talk about the desirability of bringing power facilities and the like to the people in the territories as it is to kill and destroy the concept of the bill. But that is neither here nor there. I think we were all amused by the applause that preceded private members' business at five o'clock. There were two or three minutes of non-partisan applause. I noticed that government members participated with great relish. I enjoyed the applause more than the speech that followed, in terms of content and its value to the debate.

It seems that one of the fundamental objections to the bill is the idea that power rates should be equalized between the Yukon and the Northwest Territories. I have some sympathy for that concept. In the political development that has existed in both territories there has been a different and more advanced concept with regard to the political structure in the Yukon than there has in the Northwest Territories. Depending upon the degree of pressure that the government keeps on the brakes insofar as progress toward political autonomy is concerned, presumably the Yukon will reach the stage of provincial

political status before the Northwest Territories. The Yukon will have a progressive political, provincial status before the Northwest Territories.

Because of the British North America Act, in terms of power, we have a concept in Canada whereby the equalization principle shall apply within provincial boundaries and not overlap into other provinces. I appreciate and endorse that concept. That is a very minor part of the Conservative campaign with respect to this legislation. It is a superficial type of argument. The hon. member for Yukon (Mr. Nielsen) made this abundantly clear in the speeches he made on this bill and the amendments. The Conservatives feel that the fundamental question is private power versus public power; there is no question about that. The Conservative party is attempting to preserve the last vestige of exploitive private power whose purpose is to distribute and supply electrical energy in order to make a profit. We have gone through this argument in every province of Canada at one time or another, and every political party at one time or another has come out in favour of the concept of public ownership—only one of them out of conscience and principle and others out of political expediency.

• (8:30 p.m.)

It may be that the Northern Canada Power Commission is not the most sensitive to the needs of the people in the area; it may be that the commission is not the most efficient; it may be that it is bureaucrat-ridden; it may be that it is more concerned with its own paperwork than it is with the purpose for which it was set up; it may even be that some of the members of the commission are not even friendly toward the concept of public power. But I do not think this is reason enough, in a moral or philosophical sense, to defeat the concept we want to establish, namely, that public administration in this field is preferable to private enterprise. Every political party, every province in Canada has endorsed the idea that public power is more valuable to the people than private ownership, exploitation and development for the purpose of private profit.

It would seem to me that the contention on behalf of the Conservative party that the Northern Canada Power Commission is not responsive to the interests of the people of these territories somehow runs counter to their hope that they will be called upon to form a government after the next election. If hon. members to my right think it is likely they will form a government next time, surely it is a companion concept that they will be in a position to straighten out the NCPC and see that it is headed in the right direction.

The primary point to be considered in relation not only to the amendment before us but in relation to the earlier motion is that its purpose is not to have a task force study this issue in committee of the whole or elsewhere; the purpose of the Conservative party is to destroy the concept of the bill and establish over this last frontier the discreditive values of private exploitive power in the field of energy, despite the fact that it has been accepted for many years by every political party in Canada that public power is the most desirable, the most ethical and the most moral way of proceeding. We cannot agree with this attempt to destroy the principle behind the bill. I do not really think the Liberal party is any better disposed toward it than is the party to my right. It is simply that, sitting where they are, they have seen an opportunity to make political gain by taking something which is socially desirable and putting a political complexion upon it.

Mr. F. J. Bigg (Pembina): Mr. Speaker, I wish to say a few words about the bill before us. You can only call it socialism. No matter how you slice it, that is what it is. Look at what has happened to Britain. It has been destroyed by too much socialism in the last 50 years. Who would think that a dynamic, young country like Canada—I almost said "republic" because that is what we are rapidly heading to under the dictatorship of an arrogant government—

Some hon. Members: Oh, oh!

Mr. Bigg: Wait for it. I know you are ahead of me, but you are wrong. It is not a question of personalities but of principles. We are carrying on our back an old man of the sea—socialism. If you like, you can call it democratic socialism. It can only work under the strong fist of a top-heavy bureaucracy.

It is only a week or two ago since Air Canada, which has a good deal of merit—we all know it is one of the finest airlines in the world, and so it ought to be; we are spending enough money on it—was a little worried because it was losing a certain amount of business. What did they do? Did they improve their service? No. They cut into the private part of the economy. They took away the routes of small outfits such as Wardair in Edmonton, my home city. I hope they are not simply picking on Edmonton, but they are picking on private enterprise.

There is something more important at stake here than balancing the books of Air Canada. Canada is big enough for us all, as the leader of the Créditistes (Mr. Caouette) has said. I would think the airways are big enough for both Air Canada and private enterprise. Who built Canada's air fleet? It was the bush pilots, every one a free enterpriser. Air Canada itself looks to these bush pilots when they need men among the brass to help run their enterprise. They learned the business the hard way. I am sick and tired of seeing well-meaning bureaucrats nibble away at free enterprise in every facet of the economic life of this country.

I could spend all my time discussing agriculture, but of course this is not a debate on agriculture, though it comes close to it. We are now invading the last frontier. Agriculture used to be a frontier. At one time you could say to the hungry people of Canada, or of the earth: Go west and take a fresh piece of land and carve yourself out a career. You cannot do that any more because the socialists have taken over agriculture. That is gone. What has happened to those who want to run farms? They have been told: Go into the cities and live in high-rise apartments. If you cannot beat us, you will have to join us. They have taken over the fishing industry, both freshwater and deep sea, instead of encouraging free enterprise to become more efficient through thrift and hard

work. I heard a speech the other day by the Minister of Finance (Mr. Benson). In effect, he said: It will never do you any good to save your money, because if you save it we will take it.

I turn, now, to consider affairs in the north where we are carrying out another experiment. They tell us there is to be a new province there. What kind of province? Is it to be one where a young man can go to find relief from the cities, or prospect for oil on his own, or extract oil on his own or by forming a small company? Oh, no. Everything is to be done under government orders, under government quotas. The theory is that you can trust the government. How is it, then, that Mr. Pickersgill is now head both of the CNR and the CPR? He made the job himself under Liberal auspices. He is also the author of a biography on Mr. Mackenzie King. His self appointment is the biggest act of nepotism I have ever read about—and I have read all I can find on political science and the history of the world in order to try to become an efficient Member of Parliament. If that is not true, I defy him to deny it. No eastern potentate ever had the power that the members of this government have today.

• (8:40 p.m.)

Mr. Mahoney: It sounds as though you are the new leader over there.

Mr. Bigg: I would welcome it, if you took on that job over there.

Mr. Mahoney: I will remember that suggestion.

Mr. Bigg: You have the money to do it. You do not need to be paid and can afford to give your time. It is a sacrifice for me to come down here. It is not a sacrifice for the millionaires. But I am not talking about millionaires; I am talking about the people who want to earn their living by the sweat of their brow. Those who were a little older than me told me that if I did my homework, if I worked hard at school, I was living in a land of opportunity and I could enjoy what I earned with my own hands. That is no longer so. I have to turn over to a bleeding, all-powerful, cynical, heartless government at least 38 per cent of every dollar that I earn, a government with no feeling for the little people except when the Liberals are on the hustings. Behind the closed doors of government they have no feeling for the little people, not even for the little cabinet ministers who are sitting opposite and who have no power in their own house.

We have been asking questions of the government, some 7,900 over the last three years, and none has been answered. Why is this? Because the mouths of ministers are taped with fear, the fear of this bureaucracy. I am not suggesting that they are fearful of any one man. I do not believe the Canadian people would put up with that sort of thing. I do not believe they are dictated to by one man. However, they are dictated to by a new and growing policy of Fabian socialism, a socialism that did not work in England and will not work anywhere else. There are still places in the world where you can make a living by hard work and enjoy the fruits of your enterprise. But none of these countries are socialist. The United States of America, with all its faults, is still the most prosperous nation on earth. When the rest of the world is hungry, war-torn and needs help, where does it go? Does it go to Red China or to Soviet Russia? No; it goes to the terrible eagle, the voracious, all-powerfull eagle.

When Canada needs money to develop its resources, where do we go? We go to the little people of the United States who are willing to take a gamble, though it is not a very big gamble to invest in Canada because there is still some free enterprise left here for them, and at the same time for us. There is still wealth to be had in Canada. But this bill will choke off one more avenue of free enterprise.

There are a great many people in the United States thinking very seriously about amending the U.S. constitution. They did not foresee the red menace and are seeking to have passed what is known as the twenty-third amendment and to force the federal government of the United States to sell back to the people of that country the means of production in industries in which the federal government has a monopoly. The United States is not free from creeping socialism either. This is why the people want to get the government out of the business of buying and selling in the marketplace. They feel this should be restored to the kind of people who created the affluence of the western world. Only the western world has sufficient resources to feed the hungry of the eastern world.

I could not vote for an amendment to provide for putting this bill off for six months; I want the bill torn up and put in the wastepaper basket where it belongs. We have proven beyond doubt that the most efficient form of work in the world is voluntary work, work which people are willing to give. Yet the Fabian socialists have told our young people this lie, that it does not pay them to go out to work, to be thrifty and to help their country produce. They have been told that their country owes them a living, and this is a damnable lie. Canada owes me nothing; but I owe every Canada every ounce of loyalty and energy that I possess to make her the country she should be. My hon. friend in the red shirt opposite thinks I am seeking the call of leadership. I am asking for leadership from the only place I can get it until the next election—from the treasury benches and from the back-benchers who sit behind them.

Should the CNR take over the CPR merely because the CNR is losing money? There might be an argument for this if the CNR were more efficient. In 1939 I rode on the British railroads, and I can say I have never ridden on such smooth-running, fast, up-to-date, clean, efficient, courteous railroads in my life, not even in Canada. I was in Britain a month or two ago and once again rode on the railroads, and I could not recognize them. They were late, dirty, and sloppy. Nobody cared. Why? Fabian socialism has taken over and now owns the railroads. It has tried to move into the steel industry and put England back on its feet. But what has happened? England is now on her knees begging Europe to admit her to the common market.

It should have been the other way around. England would not have to beg to get into the common market if

she were the England of old; the common market would be knocking at England's door asking to share England's wealth and to learn England's know-how. Every industrial nation of the world copied England when England was free, when its people believed in free trade, productivity, hard work, thrift, honesty—all virtues that are "square." I have even heard people in Canada suggest that we should be willing to cut off ties with the old country, and by "the old country" I am talking about the country that has shown the world leadership. I could almost go along with cutting ties with Wilson's England, because Wilson cut off common sense. But there is hope there today for a man who calls a spade a spade.

I am no racist, but in South Africa it is easy for Fabian socialists to scream racism and murder. But they say nothing about the domination of the Indian Ocean by Russia. This is the real issue in that part of the world. However, I will say no more about that. I do not condone South Africa's treatment of the blacks. A lot of wealth is dug out of the mines by black slave labour. Are the Fabian socialists willing to serve in our armed forces, in our navy, in our air force, in our army?

• (8:50 p.m.)

An hon. Member: Are we going to war?

Mr. Bigg: We might.

Mr. Nielsen: We did once, and the Prime Minister (Mr. Trudeau) did not.

Mr. Bigg: I went to war once. Perhaps I was a fool, but I don't think so. I will go again for the same purpose, and that purpose is not to save all the bourgeois or the rich of America. It is to try to keep Canada strong, safe and free. For this I would be a fool again, if indeed I was a fool once. I would rather be a magnificent fool than a despicable coward. We are not talking about defence; we are talking about the free enterprise development of Canada without which we cannot survive. We are alone. We are no longer a bridge between prosperous England and the prosperous United States. We are fighting for existence. So is England, because she listened to Wilson. The United States has her hands full because the world is not grateful for what she has done, no matter what her mistakes may have been. We are alone, like it or not.

I am not against Red Russia or China. I am not against selling them wheat. Hungry people have to eat. Are we going to put all the means of production in Canada in the hands of the bureaucracy?

Mr. Nielsen: Of this government.

Mr. Bigg: Of any government? Even if we had our 208 members back, or if we had 248 or 258 members I would vote the same way. I would not want a Tory bureaucracy to run Canada any more than I want a Liberal bureaucracy to run it.

Mr. Nielsen: As it is doing.

Mr. Bigg: As it is. If any cabinet minister in our party were to carve out a $40,000 a year job for himself, I would oppose it; I would leave this party. Why don't you leave yours? My hon. friend talks about leadership. Let him have the courage to stand up and say he defies this heartless, arrogant government. He would not be a party of one for long; he would have two in his party.

Mr. Francis: He did.

Mr. Bigg: And don't think for a minute that he does not have the admiration of the Canadian people, whether they agree with him or not. He has character, he has courage—and he did not have to ruin the armed forces before he did it. I am looking for leadership.

Mr. Mahoney: I bet you are.

Mr. Bigg: But not to lead this party. I am looking for the leadership of other people whom I can follow. I am quite happy that our leader is not trying to run a cold-blooded dictatorship in this country, and I am happy that there are no mandarins sitting in our party. There have been times when I thought there might have been people in my party who were going too far to the left. You can ask any of them if they know where I stand. They know, Mr. Speaker.

In the few minutes at my disposal I am trying to make a plea for good old free enterprise, ordinary free enterprise without compulsion, without any nonsense, without any flag-waving or exaggeration of any kind. I have seen the affluence in North America, particularly in the northern end of North America, which has been built on the free enterprise principle. I am afraid that if the government takes over the means of production, as outlined in the Winnipeg manifesto, the Regina manifesto and all the white papers we have had in the last five years, the free enterprise way of life which I am used to and which I think will still work, will be gone. I may be a minority of one, but I do not think so.

I have heard my colleague from the Yukon outline this matter beyond question. He comes from that part of the country. He knows what the people up there want, and I go along with him. I still believe that the people of Canada have the courage, the brains and the know-how to run their own affairs. We do not need a paternalistic government. We need leadership. We need help to create an atmosphere in which free enterprise can operate. Cut taxes, improve transportation, improve education, but by all means stop telling our young people, our old people and everybody else that they are incapable of earning a living without mamma government holding their hand, because when mamma government is holding your hand with one hand, she is into your pocket with the other.

I am willing to take the chance to work. Pay me decently for what I do and I am quite content to look after myself from the cradle to the grave. Don't get me wrong, Mr. Speaker. I am not against social justice. I am not against keeping the old people who built this country, but I am against keeping our young people in ignorance of how this country was built.

There is only one way to share wealth, and that is to dig it out of the ground, to hue it out of the mines and cut it out of the bush. We must work for it. If I did as little work as some people in this country, I would not be

able to digest the meals I eat. There is joy to be had in work. I have the scars of labour on my hands and I am proud of them. I spoke to a young man the other day who said, "I am not going to work. I have a Ph.D." Well, Mr. Speaker, I have a Ph.D. too. If he cannot be hired by a university as a political scientist, what is wrong with going out, climbing on an oil derrick and earning $50 a day? If you are young and strong, go to where the work is.

Mr. Hogarth: Where?

Mr. Bigg: That's right—where?

Mr. Nielsen: Get that on the record.

Mr. Bigg: What has your administration done in the last seven years? What has the Liberal administration done to create job opportunities for young people? Nothing. That is the first good question we have had from that side of the House. Worse than that, Mr. Speaker, the Liberals don't care. The young people don't mind so much being neglected as that the Liberals don't care—and that has been officially told to them; a Liberal minister has said, "We will accept 10 per cent unemployment." That is intolerable. No percentage of unemployment is tolerable.

Countries that do not have our opportunities, our resources, our people and the Liberal government that we have, do not have unemployment. They do not have unemployment in the Netherlands, in West Germany or Japan: those countries are short of labour. West Germany is importing hundreds of thousands of Italians to take jobs and earn good wages there, and they are in competition with us. It is not the German government which is doing this; it is the German people using their own brains, their own initiative, their own guts and their own money—and they are going to beat us into the ground unless we smarten up, and smarten up fast.

Someone says, "If you don't like it, get out." Well, I don't have to get out. This is my country. I am going to stay here and see it through.

Mr. Nielsen: Just while the Liberals are in power.

Mr. Hogarth: That is going to be a long time.

Mr. Bigg: You have the media on your side. Everything you do is right with them, but even the media are getting fed up, Mr. Speaker. As far as I know, Charles Lynch is no particular friend of mine. He is a broad-minded, positive writer, and he says this government is smug; he says it is arrogant. That is the understatement of the year. Mr. Lynch states that the Conservatives pledged themselves to save Mr. Henderson. Why should anybody have to pledge himself to save Mr. Henderson, who is one of the most valuable civil servants in this country and one who has at least tried to stop the leak in the dike so that there would be a bit of money in the reservoir with which to do something if the government should wish to save this country.

• (9:00 p.m.)

If the hon. member for Calgary South (Mr. Mahoney) is glued to his seat, I can understand why. However, he is free to rise and ask a question; this is a free country. It is not the man from St. Boniface (Mr. Guay) I am talking to; it is the red-shirted member from Calgary South, one of the wealthiest communists I know.

Mr. Lynch warns the Liberals that they are arrogant. I do not expect you to listen to me, because you never have, but you might at least listen to your own writers. When your own friends say you are becoming arrogant, you should listen to the warning. One hundred and fifty-eight members is not that many.

An hon. Member: How many?

Mr. Bigg: One hundred and fifty-eight.

An hon. Member: Not in this party.

Mr. Bigg: How many?

Mr. Deputy Speaker: Order, please.

Mr. Bigg: All right, Mr. Speaker, I am not a hair-splitter. I am trying to make the government take a good look at itself whether or not it has gone far enough with nationalization of Canada's resources. Is it not about time these people returned to liberalism? There was a time when they had Liberals. Laurier was a Liberal.

An hon. Member: That is one.

An hon. Member: That is about all.

Mr. Bigg: St. Laurent was a Liberal. If Laurier were alive and suggested reciprocity, I would vote for it. I do not vote blindly for anything, but I would vote for it. I am giving a warning. I do not hit people without warning. Their own writers have warned them that they are cold-blooded, arrogant and do not care about the young people. The Liberal party is completely mesmerized and believes that 155 members represent a sufficient majority, that it can ignore the needs and rights of the young people of Canada and can play big daddy with everybody.

The Indians have never liked paternalism. They have hated having the government play big daddy with them. All they have ever wanted is to be allowed to be good Indians. This government has even succeeded in making them into poor white men. The young people do not like to think that 10 per cent of them must remain unemployed. Every young person in this country wants a job. In spite of being a working man myself, I do not believe I know enough about it to say which 10 per cent should sit back and not have an opportunity. I will not make that decision. I want to see a policy that will be big enough and wise enough to provide an opportunity for every young Canadian to be employed. I do not expect this government to accomplish that. No government has done it yet. There is nothing more discouraging than being unemployed. I have been unemployed myself for very short periods of time during the dirty thirties.

An hon. Member: No wonder.

Mr. Mahoney: It wasn't me; I didn't say a word.

Mr. Bigg: I hope the hon. member for New Westminster (Mr. Hogarth) will always have a lucrative job in which he does nothing, because that is what he is doing as long as he sits on the back benches of the Liberal party and does not take the trouble to wake up the front benches.

Mr. Hogarth: I cannot wake them up when you are putting me to sleep.

Mr. Bigg: I suggest that if you want to sleep you should go where you usually go—somewhere other than this House.

Some hon. Members: Oh, oh!

An hon. Member: Is that true?

Mr. Bigg: Do you think he has had enough, Mr. Speaker?

An hon. Member: Give him another one, Jack.

Mr. Nielsen: Belt him again.

Mr. Bigg: When we think of free enterprise, we must remember people like Punch Dickens who was a bush pilot. We might ask what kind of man he was. De Havilland Aircraft of Canada produced the best aircraft of its type in the world. Then we might ask who they wanted when they were looking for a man to head Canadian Pacific Airlines. It was the government of Mr. Diefenbaker that gave this airline a licence to compete with Air Canada. We all know how much better Air Canada has been with a little competition. When they wanted a leader they got Mr. McConachie, another bush pilot.

I could go on, but I bore the Liberals because they are a heartless bunch. They are arrogant enough to appear on TV and get up in this House and say we never had it so good. The Minister of Finance (Mr. Benson) stood in this House and told us we never had it so good. Maybe we didn't, but there are many young people in this country who are looking to us for leadership. The main complaint from the government benches is that they do not get leadership from this side of the House. That is what the Minister of Finance said. This is one reason I am on my feet tonight. I am glad the minister is here. I admit having been delinquent, but I have been sitting here waiting for the dynamic leadership of this great party of the people.

An hon. Member: Get Diefenbaker.

Mr. Bigg: I was here when he was our leader, and we had leadership. I am on my feet tonight because I have not seen the contribution I expected from the other side of the House. I want to know what is the dynamic policy for the Northwest Territories, and if the government is to provide electric power, a pipeline, and so on, in northern Canada, how that will give us better light.

An hon. Member: You tell us what you would like to see happen.

• (9:10 p.m.)

Mr. Bigg: I go right along with the idea that we should encourage free ownership, private ownership of every industry, of oil wells, farms, orchards—you name it. I am in favour of the free enterprise system. It is the only thing I am fanatical about. I am fanatical about freedom. I am such a fool about freedom that I put my life on the line in 1939, 1949, 1959, and I hope I will in 1979, because I honestly believe it is the only thing that will work, and it has been demonstrated.

You want the empirical process? You want to see what happens? What happened in England? In only 50 years they went from the top to the bottom, but I hope they are on the way up again. We will do it now without any excuse, with the blueprints in front of us. We know that free enterprise works and that socialism does not. It does not work for me, and up till now it has never been the Liberal policy. I would admire the Liberals more if they decided that liberalism no longer works, that the free enterprise system no longer works. Let them be honest like my friends to the left; at least they are honest.

An hon. Member: How far to the left?

Mr. Bigg: They espouse socialism, and I honestly believe that if they were put in charge they would try it and see whether or not it worked. I honestly think it would be disastrous, and so far so do the Canadian people. If they change their minds in 1972, or whenever they spring an election on us, I will stand to be corrected. That is the view of most of the people I know, and of course I only speak from my knowledge of people who are generally over 30, as I happen to be a grandfather.

An hon. Member: Don't forget to read your speech tomorrow.

Mr. Bigg: I do not make speeches to read them myself. I make speeches in an apparently vain effort—

An hon. Member: How right.

Mr. Bigg: —to help you people make your decision which, if you were truly Liberals, you would have made yourselves. My party does not need leadership from me.

An hon. Member: But they need it from somebody.

Mr. Bigg: They want participation, and I want to know when you people will be allowed to participate in this democracy.

Some hon. Members: Hear, hear!

Mr. Bigg: When are we going to do away with the 30 or so men who sit in the attic and really run this country today?

Mr. Deputy Speaker: Order, please. Before I recognize the hon. member for Winnipeg North (Mr. Orlikow) I might mention that I rose because the hon. member's time has expired.

Northern Canada Power Commission Act

Mr. David Orlikow (Winnipeg North): The last speech was interesting, Mr. Speaker. It was interesting because to a large extent the hon. member for Pembina (Mr. Bigg) when speaking for 40 minutes ranged from one end of the country to the other. He circled the world. I listened very carefully, but on no occasion did he deal with either the Yukon or the Northwest Territories.

Some hon. Members: You weren't listening.

Mr. Orlikow: I was listening. We were told that the great fault of this bill is that it is a socialist bill. The hon. member for Pembina asks Members of Parliament to reject this bill because it calls for nationalizing power. I wish it did, but it does not. My colleague, the hon. member for Skeena (Mr. Howard) pointed out, I think correctly, that the objections to this bill which we heard from the hon. member for Yukon (Mr. Nielsen) are that the hon. member for Yukon really believes that the private power company in that area can do a better job than if it were publicly owned. He is entitled to his opinion, but the facts as we have seen them in Canada do not bear him out.

The hon. member for Pembina tried to tell us that the difficulties in respect of power have been brought about because we in this party and members of the party opposite have been seduced by the teachings of the British socialists. I think I am correct in saying that the hydroelectric system in Ontario was made a publicly-owned corporation in 1905 when the British Labour Party was just beginning. It was made a public corporation by a Conservative government, under Sir Adam Beck.

If publicly-owned power is such a terrible thing, I suggest to the hon. member for Pembina that now is a good time to put that argument forward. The Conservative party of Ontario is going into a leadership contest, and I suggest to the hon. member that he approach the five candidates who are vying for leadership and try to convince them that publicly-owned power is bad for Ontario. He should try to convince whichever one becomes premier of Ontario that he ought to sell Ontario Hydro to private enterprise. I wonder how much support he would get from the Ontario Conservative party. It would be interesting to see.

Mr. Bigg: What would that do?

Mr. Orlikow: Ontario is not the only province which has publicly-owned power. In my province of Manitoba the last privately-owned power company was turned into a public utility by a Liberal government. In British Columbia the privately-owned power systems were turned into a publicly-owned power system by a Social Credit government. In Saskatchewan it was the CCF government which created a publicly-owned power system. In Nova Scotia and New Brunswick the power system is publicly owned. One of the things which distinguishes Canada from the United States is that we have hardly any privately-owned power systems in this country. Alberta is about the only province which still has a privately-owned power system.

[Mr. Deputy Speaker.]

Why do we have publicly-owned systems? It is because in every province they came to the conclusion, after the most careful study, that publicly-owned power could be brought to the people of the provinces concerned more cheaply and efficiently than by private companies. The reasons for that are pretty obvious.

Mr. Forrestall: Prove it.

Mr. Orlikow: If you want to build power facilities it is necessary to borrow large amounts of money, and no private corporation can borrow money as cheaply as can a publicly-owned corporation, provincial or federal.

Mr. Forrestall: Nonsense.

Mr. Orlikow: Let the hon. member look at what happened in Nova Scotia, where power is publicly owned.

Mr. Forrestall: It is also privately owned.

Mr. Orlikow: Not many years ago—I think most members in the House were here—a Liberal government in the province of Quebec took over all the private power facilities in the province and created one publicly-owned power corporation.

Mr. Comeau: Sure, the Liberals did that.

Mr. Orlikow: Yes, the Liberals in Quebec and the Conservatives in Ontario. That is precisely what I said. They did this because it has been proven conclusively that public systems can operate more cheaply than private companies. To appreciate this one only needs to go to Niagara Falls, in the province of Ontario, and compare the cost of power there with the cost of power in Niagara Falls, New York State. One sees the difference. In New York State power is still privately owned. So I say to the hon. member for Pembina that this bill does not call for the creation of a publicly-owned power system in the Yukon. If it did, I would support it much more vigorously than I do at the present time. But if it did, it would provide the people of the Yukon with cheaper power more quickly than the privately-owned system has, as has already happened in nearly all other parts of Canada.

• (9:20 p.m.)

I close by saying a few words about a matter to which the hon. member for Pembina referred repeatedly. I shall try to be briefer than he was. He suggested that Britain is in great difficulties because it was governed by a socialist government. He seemed to imply that all the resources and industries of Great Britain were publicly owned. That is not true. The vast majority of industries and resources in Great Britain are still privately owned. He compared Great Britain unfavourably with other European countries which belong to the European Common Market.

I suggest to the hon. member that if he were to read about countries like France and Italy, I am sure he would be amazed at what he would learn. He would also learn that what I am about to say is true. In France, Italy and other countries in western Europe, a much greater pro-

portion of industries and services is owned by the state than is the case in Great Britain. So I suggest to him that Great Britain's difficulties do not stem from the fact that the means of production in that country have been socialized, nationalized or whatever he wishes to call it. Britain is in difficulties for entirely different reasons. Also, the reason countries like France, in which a large proportion of industry is owned by the state, are doing well is entirely different from that suggested by the hon. member. If the hon. member wished to talk about power in Canada, which he did not, he should have looked at the record. It is not at all what he said it was.

Mr. Bigg: Mr. Speaker, would the hon. member permit a question? I wonder if the hon. member would explain to me why the flow of immigration is all one way. Why are people leaving those havens of socialism and coming to this terrible North American, private enterprise economy?

Mr. Deputy Speaker: Order, please.

Mr. Erik Nielsen (Yukon): Mr. Speaker, I cannot let the debate close without commenting on some of the remarks which were made, particularly by the hon. member for Skeena (Mr. Howard) and the hon. member who has just resumed his seat. It is refreshing to see the Secretary of State (Mr. Pelletier) in his seat with his chin held high, lording it over the empty front benches. He reminds me of his colleagues in cabinet and particularly of the Minister of Finance (Mr. Benson) who is now behind the curtains and is treating the situation in Canada as if they were on an ego trip. They are completely oblivious to the situation. The hon. member for Calgary South (Mr. Mahoney) was objecting vociferously when my colleague and friend, the hon. member for Pembina (Mr. Bigg), was speaking. If I knew half as much about anything as he knows about everything, I would be on the backbenches behind him on the other side of the House.

The NDP members really amaze me, Mr. Speaker. The hon. member for Skeena, who is aspiring to the leadership of that great national party, has been acting like a chameleon and distorting everything completely, as is typical. The hon. member for Winnipeg North (Mr. Orlikow) tried to do the same. Nobody is arguing about the existence of NCPC in the north. I am expressing the views of all segments of the Yukon population and not just my own. Surely the views of the population of the Yukon should reach even the feelings of the hon. member for Winnipeg North. These people do not want to pay for the losses of this system in the Northwest Territories. What could be a fairer position than that? They do not want the surpluses, which these amendments would take away from them, applied to losses throughout the whole system; they want the surpluses applied to reducing the rate in the Yukon.

Some hon. Members: Hear, hear!

Mr. Nielsen: The hon. member talked about public power in the Yukon. He said that the Crown agency was established in 1948, 22 years ago, to provide power in those places of the north where private capital was unwilling or unable to go. He also said that private capital has not been doing the job and now, just because there is a huge development in the Yukon in terms of mining, they want to go in and skim off the cream.

Mr. Ryan: They are robbing the Yukon; that is what he said.

Mr. Nielsen: He said the NCPC could provide power more quickly in the Yukon. Tell that to the people of Old Crow who waited 20 years for power from the NCPC. Tell that to the people of Keno Summit, of Stewart Crossing and Pelly Crossing. Are these people not provided for by private enterprise, having waited 20 years for power from the public agency set up to do that job? Tell that also to the people of Carmacks, Burwash Landing, Destruction Bay, Haines Junction, Carcross, Watson Lake and Upper Canyon.

Some hon. Members: Hear, hear!

Mr. Nielsen: In all these communities Mr. Speaker, the public agency was set up, yet private enterprise went in and supplied the power. And the hon. member says that the public agency can do this more cheaply and quickly! The government specifically asked private enterprise to go into Old Crow. The hon. member could not have been here this afternoon when I quoted the rates. The government conducted the survey and came up with the answer that it would cost 27 cents per kilowatt to supply power to the community of Old Crow. They did not want to do it because it was costing too much, and they asked private enterprise to do it.

Private enterprise went in on the provisional basis of 25 cents per kilowatt, and private enterprise is now supplying power to this community at 15 cents per kilowatt, away below anything that public power could offer and below any rate that public power could be offered for in the Yukon. If you really want to go into the merits of the argument, you will see that power was first supplied at Watson Lake at six cents and it is now being supplied at 3.6 cents. At Whitehorse, power was being supplied at 6 cents and is now supplied at 1.6 cents. Do not tell me that private enterprise cannot compete, because it has supplied cheaper power to many communities of the country.

Regardless of the argument about public versus private enterprise, surely to consider the example quoted by my friend for Winnipeg North we must remember that it is the people of the provinces who make the decision regarding conversion; they have the right to make that decision. Surely we have the right in the Yukon to make the same kind of decision, instead of having it foisted upon us by another bureaucratic arm of government.

Some hon. Members: Shame!

Mr. Nielsen: This reminds me of the contribution made by the member who is now behind the curtain, the hon. member for New Westminster (Mr. Hogarth). He reminds me of a former Liberal member from British Columbia, Mr. Byrne. The only time he opened his mouth when he was a Liberal member of the House was when he wanted to change the position of his feet. I think the feet of the

hon. member for New Westminster are even too big for that. There was deliberate distortion by the hon. member for Skeena (Mr. Howard).

An hon. Member: He is here now.

Mr. Nielsen: I am glad. He and others distorted the facts. They charged that the Conservative party—

Mr. Howard (Skeena): That is not true.

Mr. Nielsen: If the hon. member would return to his seat and make his interjection, I would be happy to join issue with him.

Mr. Howard (Skeena): And what would the hon. member do?

Mr. Nielsen: You cannot just charge—

Mr. Speaker: Order, please. If the two hon. gentlemen want to have a private conversation, they might do so while both are in their places. Meanwhile, would the hon. gentleman kindly address the Chair.

Mr. Knowles (Winnipeg North Centre): They could both go behind the curtain.

Mr. Nielsen: If the hon. member wishes, I could join him in the corridor. He has charged, Mr. Speaker, that the Conservative party's intention is to kill the bill.

Mr. Howard (Skeena): Hear, hear!

Mr. Nielsen: That is the intention of the people of the Yukon, the population that I have an obligation to speak for in this debate. I am expressing the views of the Yukon population, just as the hon. member for Skeena might express the views of his constituents.

Mr. Ryan: If he knew them.

An hon. Member: He hopes to be leader of his party.

Mr. Nielsen: I can tell the hon. member that the Chamber of Mines, the Chamber of Commerce, the Prospectors' Association and, he will be interested to know, the labour movement in the Yukon do not like the idea—

Some hon. Members: Oh, oh!

Mr. Nielsen: —of having the revenues generated as a result of their consumption of power in the Yukon going to pay for government extravagance in Frobisher Bay, Cambridge Bay and other places throughout the system.

Some hon. Members: Hear, hear!

Mr. Nielsen: The truck drivers, the mechanics, the carpenters and the plumbers, who pay electric light bills far in excess of anything the hon. member has ever experienced, do not like it. That is why they want this bill turned down.

• (9:30 p.m.)

Mr. Howard (Skeena): Would the hon. member permit a question? Would he identify the section of the labour movement to which he referred?

Mr. Nielsen: Certainly. I have in my office a telegram from Local 31 of the Teamsters. Ottawa members certainly cannot say that is not part of the labour movement. The Buildings Trades Council in the Yukon is just as upset as all the little people in the Yukon who have asked me to express these views. They think it is not fair to pay the same kind of tax that every other Canadian pays and, in addition, to have foisted upon them the cost of supporting the revenue-losing areas of commission-operated plants throughout the north. That is their objection. What could be unreasonable about that kind of objection?

I would inform the hon. member for Skeena that not only this party does not want this bill. It is not only me who does not want this bill. The people of the Yukon who use the power do not want this bill.

Some hon. Members: Hear, hear!

Mr. Nielsen: Surely that is not an unreasonable position to take. All members of this House should listen to this kind of report. If they do not, the much-worn, threadbare phrase of "participatory democracy" will not mean a hell of a lot.

Some hon. Members: Hear, hear!

Mr. Nielsen: I think I have once again placed the matter in proper perspective. Coincidentally, the views I am expressing are the views of my party, because I solicited their support. I also solicited the support of the Créditiste party. They all support the wishes of the people of the Yukon which I have expressed in this debate.

Some hon. Members: Hear, hear!

Mr. Nielsen: I hope hon. members will see fit to vote for the amendment so that the government will at least have an opportunity to consider something which is universally considered to be undesirable in the Yukon.

Mr. Speaker: Is the House ready for the question? All those in favour of the amendment please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

Some hon. Members: On division.

Mr. Speaker: I declare the amendment lost. The question is now on the main motion.

Mr. Howard (Skeena): Mr. Speaker, it is very interesting to see the Conservative party chicken-out after the declaratory speech we just heard.

Mr. Nielsen: I rise on a question of privilege, Mr. Speaker. One cannot let a baseless assertion like that pass unchallenged. The only reason this party is passing the legislation, on division, is to save the time which would be required in recording a vote, particularly in view of the fact we had one recorded vote this afternoon.

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

Some hon. Members: Agreed.

Some hon. Members: On division.

Motion agreed to, bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

* * *

TEXTILE AND CLOTHING BOARD ACT

PROVISION FOR ESTABLISHMENT, INQUIRIES, REPORTS, ADJUSTMENT ASSISTANCE FOR WORKERS

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved that Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other Acts in consequence thereof, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

[*Translation*]

He said: Mr. Speaker, the purpose of Bill C-215 is to implement several essential elements of the new textile policy which I outlined in the House on May 14 last year, as you will remember. Hon. members will recall that this policy includes a whole range of measures dealing with the industrial, social and commercial aspects, with financial assistance, promotion on the domestic and international markets, technical assistance, and many other provisions. Some hon. members have expressed all along their interest, others, their support and still others their concern about this new policy. I shall therefore endeavour to be as clear as possible, and divide my statement in three parts, as I usually do. I shall deal first of all with what has already been done, then with the main features of the bill, namely Bill C-215, and, finally, with what remains to be done.

Mr. Speaker, the following has been done: first of all, my department has already expanded its export promotion efforts. The highlight of this increased promotion activity last year was participation by Canadian manufacturers of garment fabrics in the Interstoff Fair in Frankfurt, Germany, probably the most important international fair featuring garment fabrics. Although individual manufacturers had participated in the Fair previously, this was the first time they did so as a group. The results have been extremely gratifying. The participating Canadian firms received orders valued at more than $3.2 million; there are strong indications that $10 million in additional Canadian export orders will be generated as a result of this effort. I am pleased to note that our performance at the Fair elicited extensive comment in Germany and in Canada, for instance even from the usually unexcitable Dick Jackson of the *Ottawa Journal*. Our intention is to continue these highly promising efforts at the Frankfurt Fair in May and November of this year.

(9:40 p.m.)

I wish to emphasize how successful the fair was because it shows quite clearly the very interesting possibilities international trade offers the textiles and clothing industries.

Secondly, increased attention has also been given to the promotion of apparel, both in terms of marketing and discovery of new markets, and of the quality of commodities. Although 1970 was generally a difficult year for garment-makers, exports to the United States increased from some $42 million to about $55 million. Advanced bookings indicate that the increase in sales to the United States may be even greater this year. Canadian creations are now featured regularly in American magazines, especially in "Women's Wear Daily".

I know that you do not read that magazine, Mr. Speaker, but I am told that it is the Bible of the women's fashion industry. Your wife is undoubtedly more versed in that field than yourself and judging from the results she puts it to good use.

Canadian fashions are gaining increasing acceptance on export markets, which is quite flattering for our industry.

With regard to the same matter, Mr. Speaker, on September 2, my Department launched the *Fashion Canada* Program to focus national and international attention on the best style garments being designed and manufactured in Canada. *Fashion Canada* is supported by the federal and three provincial governments as well as by several professional associations.

Its objective is to encourage greater design creativity and upgrade the quality in Canadian fashion products; to build a prestige image of fashion design in Canada; and to provide an environment which will encourage and retain Canadian fashion design talent. I am pleased to report that the program is meeting a good response from the industry, retailers, publicity media and the general public. In print media lone, FASHION/CANADA has so far been featured in some 350 articles appearing in close to 100 publications in Canada and abroad.

All this shows clearly, I feel, that there is, for the clothing industry of Canada, a very promising future, most promising indeed. I have had the opportunity to read, for instance, reports from American chain stores buyers who came to Canada and were most favourably impressed, even surprised, by the quality of products designed and made in Canada. There is an interesting phenomenon. The fact that the factory itself is small, may become, sometimes, an advantage. Since fashion, as we are all aware, is a most rapidly changing thing, there is even an advantage to being small since one has more leeway and can adjust far more quickly.

I had the opportunity to note, for instance—and this is obvious in the House—the extent to which Canadians have gone for coloured shirts. I recently addressed 50 persons. Nobody in the audience had a white shirt. The member for St. Boniface (Mr. Guay) will have to change his habits. The fact that Canadians went for coloured shirts represented a significant contribution to the survival of this industrial sector in Canada, because those shirts obviously cannot be produced on as large a scale.

As producers do not exactly know what will meet with popular approval—for instance, the bright red shirt of the hon. member for Calgary South (Mr. Mahoney)—they

will hesitate to produce one million shirts. They will only manufacture 100,000 and will survey the market before producing a further quantity. It is then no longer a handicap to be a small manufacturer.

Mr. Guay (St. Boniface): For my part, Mr. Speaker, I wear my old white shirts.

Mr. Pepin: That is because of the very low salaries of the backbenchers.

The hon. member for St. Boniface will buy himself some coloured shirts. He will also make an effort, as the hon. member for Saint-Hyacinthe (Mr. Ricard) has been doing for so long.

In the third place, the supplementary estimates approved by the house before the Christmas recess contained amendments to the General Adjustment Assistance Program which will provide Canadian textile and clothing manufacturers with better access to the various types of financial assistance available under it.

I have explained the features of this program to hon. members on previous occasions; I do not intend to go into it in detail now. However, in the committee we have recently seen the favourable effects the program can have for producers of clothing, particularly, and for manufacturers of footwear also, to whom, as you know, the program has also been extended.

In the fourth place, at the beginning of November, I informed the house of the establishment of the Textile and Clothing Board on an interim basis under section 18 of the Government Organization Act. I also announced at that time the appointment of Dr. C. A. Annis of Ottawa, Professor Jacques St. Laurent of Sillery, Quebec, and Mr. J. D. Campbell of Campbellville, Ontario, as chairman and members of the Board, respectively.

Hon. members will recall that—as a first priority—I asked the Board to inquire into the importation of cotton and polyester-cotton yarns, and woven shirts. The board is now at work, Mr. Speaker, and I expect to receive its first report in the near future. I mention this now to show that the board will be taking quick action and will not put off decisions for six months or a year. I shall describe later on the functions of the board in greater detail.

In the fifth place, Mr. Speaker, and this is still in the first part of my speech where I try to explain what has been done—an important aspect of the new policy, pending full implementation of all its various elements, is the government's determination to make use of all the currently available instruments to prevent serious disruption of the Canadian market. When I informed the House last May of the new policy framework, I indicated that the government was giving urgent consideration to the critical situation that had developed with respect to woven shirts imported at disruptively low prices.

On June 2, the government invoked section 7 of the Customs Tariff to impose a surtax, on a non-discriminatory basis, on such shirts. The action was taken after a careful study of the situation in the industry which revealed that without it the long-term viability of the Canadian shirt industry would be seriously threatened.

Incidentally, Mr. Speaker, an ambassador called on me the other day and we were discussing the question of textiles and clothing in Canada and like many others, he expressed the hope that Canada would not adopt a protectionist position in this regard. And I asked him the following question: "Your Excellency, can you tell me how many shirts are imported in Canada?" He was taken a little by surprise, I suppose, but after some hesitation, he mentioned the figure of one million. I said: "Add 200,000, or 300,000 and say "dozen" instead of "units" and you will have a fair idea of the number of shirts imported by Canada at this time." I say these things that we shall repeat in committee, in order that some hon. members will not conclude too hastily that Canada is becoming a protectionist country.

Yesterday, I delivered a speech in Montreal on imports and I believe we do have not much to blame ourselves for in this field. Canada is a major importing country. In that speech, I quoted figures that I shall quote again in this House because they are very, very useful. But they might be used in this debate, because I hope no hon. member will launch into broad statements about free trade, without having at least consulted these figures showing present Canadian imports.

In any case, hon. members will recall that the decision to impose a surtax received the approval of the House on November 26. The House agreed to the extension of this surtax, pending a review of the Canadian shirt industry by the Textile and Clothing Board, which review will be initiated as soon as the Board has rendered its first decision on woven cotton and polyester cotton fabrics.

Sixthly, the government has extended the existing *voluntary restraint arrangements* while suitably modifying them in the light of circumstances. Officials of my department have re-negotiated and come to an agreement on the voluntary restraints applied by Japan, Korea, Hong Kong, Singapore, Mexico and Greece. New arrangements have been concluded with Romania, Poland, Trinidad, Tobago and Macao. Arrangements have also been made with the People's Republic of China and Taiwan. The officials of my department are currently holding talks with responsible authorities in Brazil, Spain, Portugal, the United Arab Republic, Columbia and Israel with a view to reaching other agreements. Thus, our policy is and will remain to try and enter into agreements with those countries, before considering any unilateral action.

Pending recommendations of the Textile and Clothing Board, the government shall continue carefully to analyse problems as they arise and will take whatever action is required. As in the past, Canada will consult with the countries concerned, as I said earlier, with a view to finding a negotiated solution, before considering unilateral action.

These then, Mr. Speaker, are the elements of the textile policy that have been implemented and the steps the government has taken to ensure an orderly transition to the new policy framework.

• (9:50 p.m.)

[*English*]

That is the first part of my speech. I have tried to summarize what has been done.

[*Translation*]

I often say in French that I do not make any discours (speeches). I always say: take away *dix* (ten) and replace it by *un* (one). You will then have one course instead of ten on the subject I am dealing with.

[*English*]

The second part of my speech concerns Bill C-215 itself.

Mr. Comeau: And about time.

Mr. Pepin: An hon. member says it is time I got there. Perhaps it is idealism on my part, but I have always believed that if the foundations are good, the house stands a little more strongly. The hon. member for Southwestern Nova (Mr. Comeau) might benefit from my example, Mr. Speaker.

The bill has three main purposes. The first is to provide for the establishment of a textile and clothing board. The second is to amend the Export and Import Permits Act. The third purpose is to amend the Customs Act. First, dealing with the textile and clothing board, the bill seeks to place this board on a more formal basis. I have already said it has been in existence, but its existence is now being formalized. What is the role of the board and what are its functions? Hon. Members will recall that under the new textile policy special measures of protection against imports will be considered only after, firstly, a formal determination of actual or potential injury and, secondly, submission of acceptable plans by the companies concerned indicating how they intend to improve their operations or maintain their efficiency so as to make them progressively more viable. This is very important.

If a company or group of companies or sector of the industry want protection, they have to demonstrate that there is injury, or threat of injury, under article 19 of GATT. Secondly, they have to present plans that the board will assess. The board will recommend protection only when it is satisfied, firstly, that there is injury and, secondly, that the plans to maintain viability or to bring it about are worthwhile—only recommended. So responsibility for action rests squarely with the government. I repeat, with respect to the degree of protection needed, the board can make recommendations only. It is the government that must take action. This is contrary to what has been reported, erroneously, in some newspapers during the past week.

What criteria will the board use in passing judgment? In formulating its recommendations the board is to take into account, firstly, Canada's international obligations; secondly, consumer interests; thirdly, all relevant employment and regional factors; and fourthly, conditions prevailing in international trade relative to textile and clothing goods. In other words, the board must look at all aspects of the question. Everything must be considered. The board also has to take into account the principle that special measures of protection are not to be implemented for the purpose of encouraging the maintenance of lines of production that have no prospect of becoming viable. This is provided for in the bill.

In addition to its functions with respect to the new import policy, the board will also certify groups of workers for the purpose of the adjustment assistance program for workers. Details of this program will be outlined tomorrow by my colleague, the Minister of Labour (Mr. Mackasey). Upon hearing him, hon. members will recognize, I'm sure, that this is a very important and worthwhile social feature of the legislation.

Before I move on to the other aspect of the bill, I should like to emphasize the somewhat unique nature of the new approach to the problem of disruptive import competition. To the best of my knowledge, Canada is the first among industrialized countries to predicate special measures of protection for the textile and clothing industries on a careful evaluation of injury and of adjustment plans by an independent body. Such an approach coincides closely with the principles and objectives of various international trade agreements and, if emulated by others, should go a long way toward improving the world trading environment. At the same time, the government will be in a position to provide effective and prompt protection to domestic manufacturers agains injurious import competition when warranted by facts and provided they undertake the necessary steps progressively to improve their competitive position. Some hon. members may have noticed the recent suggestion in the *Wall Street Journal* that Canada's "positive response" to the problems created by disruptive import competition "would be eminently more sensible for the U.S.", and I daresay for a number of other countries as well.

In regard to the changes to the Export and Import Permits Act, this act in its present form makes it possible for the government to control imports unilaterally in three cases: firstly, articles which are scarce in world markets—and certainly this does not apply to textiles —secondly, certain products under domestic price supports and, thirdly, any article when necessary to implement in intergovernmental arrangement or commitment. According to the present understanding of the Export and Import Permits Act, only in these cases can the government take unilateral action.

Action under the act has been taken in the past with respect to certain products falling under these three categories and the act could, conceivably, be invoked again under these circumstances. However, in its present form the act cannot be invoked to control injurious imports unless one of the three conditions is met. There has been some debate on that subject. The hon. member for Calgary Centre (Mr. Harkness) believes that the act as it is now could have been used in this area of textiles. General opinion does not support that view.

The new textile policy envisages the application of unilateral measures, including import quotas in cases where a negotiated solution such as, for example, a restraint agreement, cannot be reached.

Proceedings on Adjournment Motion

• (10:00 p.m.)

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, before we proceed to the adjournment motion, would the acting House leader confirm that the bill under discussion will be the first item of business tomorrow and that any other items will be called in the sequence previously announced?

Mr. Olson: Yes, Mr. Speaker, that is the understanding which has been reached through the usual channels.

[*Translation*]

Mr. Speaker: Order. I am sorry to interrupt the minister—

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

NATIONAL SECURITY—ALLEGED INFILTRATION OF UNITED STATES COMMUNIST PARTY INTO CANADA

Mr. Roland Godin (Portneuf): Mr. Speaker, on December 17, last, I asked the Minister of Justice (Mr. Turner) whether his department was inquiring about the infiltration into Canada by the American Communist party which, with the help of outstanding Canadian personalities, publishes documents tending to undermine Canadian democracy and unity. Contrary to what he usually does, the minister chose not to answer my question.

Mr. Speaker, I put the question, which I felt was important, because the day before I had read an article published in Canadian papers, in *Le Droit* of Ottawa, amongst others, which read in part as follows:

American Communist Party influence reaches into Canada

Reverend Vincent Harvey, Director of the magazine *Maintenant*, Reverend Louis O'Neil of the Laval University Theology Department, François Aquin, member of the Quebec National Assembly, ... songstress Pauline Julien and author Farley Mowat would be among those who signed a manifesto inspired by the American Communist Party.

This has been revealed in the testimony of Gerald Wayne Kirk, ... during the hearings of the Senate sub-committee on the administration of the Internal Security Act—

—Through selective use of methods ... the American Communist Party has been able to worm its way into many groups ... and advocate its Marxist-Leninist philosophy. In addition, not only has its influence reached into Canada but many Canadian personalities have endorsed these movements—

After having given as evidence the manifesto entitled, "An Appeal of Canada to Peoples of the Western Hemisphere", we find the names of American and Canadian movers—

Besides the names already mentioned, we notice those of James G. Endicott, president of the Canadian Peace Congress, Rabbi H. Leonard Pelier from Montreal and Rabbi Abraham L. Feinberg from Toronto, Dr. Denis Lazure, president of the Inter-American Council of Psychiatric Associations, Mathias Rioux, president of the Alliance des Professeurs de Montréal, Roland Morin, president of the Quebec New Democratic Party ... C. B. Williams, G. Gibley, president of the Saskatchewan Federation of Labour and vice-president of the Canadian Labour Congress, A. R. Pauley, provincial leader of the Manitoba New Democratic Party, and Brian Switzman, president of the Ontario Students Union.

Mr. Speaker, at the same time last year and more precisely at the end of November 1969, Mr. Lucien Saulnier, Chairman of the Executive Committee of the City of Montreal and Michel Côté, City Solicitor, appeared in Ottawa before the Standing Committee on Broadcasting, Films and Assistance to the Arts.

Committee proceedings No. 14, dated November 27, 1969, include Mr. Saulnier's statements, one of which, appearing on page 9, reads as follows:

We now know that in Canada, individuals and groups are working actively to implement a plan which will carry the destruction of freedom ... These individuals and groups are inspired and financed, in many cases, by foreign political powers related to an "International".—

In other cases, the same ideas and the same plan of action are supported by the Government of Canada through *The Company of Young Canadians.*

And Mr. Saulnier continues:

The partial revelations to which I will limit myself today are but a small example of things I know and of which I have privately informed the Prime Minister of Canada in the past year.

On page 12, Mr. Côté's words to the chairman of the committee are reported:

—With your permission, if you will allow us to distribute to the members of the committee the document to which I will refer throughout the explanation of facts in support of Mr. Saulnier's statement.

—the document you have on hand includes 47 items—

And, on page 41, Mr. Côté goes on and invites us to

—look at document No. 13. It has three pages. All these documents were seized on the 10th of October, 1969, at the Workers' Committee of St. Henri. It is an invoice from the Gestetner Company of Canada Limited ... and it is addressed to "The Company of Young Canadians ... Chapel Street, Ottawa—

This duplicating machine had been delivered to a St. James street address in Montreal on July 31, 1969. It was being operated in one of the CYC's offices to print revolutionary literature to be distributed in Montreal.

On page 51, Mr. Côté mentions another raid on CYC members. He said, and I quote:

—We seized 18 metal filing cabinets, partly filled with documents, and newspapers ... They are newspapers entitled *Gramma* which are French-language newspapers from Cuba—

At page 70, Mr. Côté mentions a picture part of the evidence and states:

One saw on several occasions during university demonstrations some Volvo cars belonging to the CYC. You have a picture of those cars. Those vehicles purchased by the Canadian government and registered under the name of the CYC were part of and were even leading marches—

Such is the evidence referred to in the proceedings already mentioned and which led Mr. Lucien Saulnier to state:

These facts justify me to request formally and publicly a public Royal Commission of Inquiry into the clearly subversive activities of the Company of Young Canadians.

I agree with most Canadians that an inquiry should have been carried out at that time and if the government refused to take action in spite of the evidence supplied by the Montreal authorities, perhaps it is because of our Prime Minister's background.

The Canadian Intelligence Service in their publication No. 36 supply the following details on the Prime Minister, and I quote:

Our record on Mr. Trudeau shows the following facts: 1940—He is thrown out of the Canadian Officers Training Corps for reasons of indiscipline; 1947—he is studying at the London School of Economics and credits the Marxist professor Laski with "the most stimulating and strongest influence he ever knew"; 1950—He is in Shanghai when the Communists take over and becomes an admirer of the Mao regime; 1951—Back in Montreal . . .

Mr. Speaker: Order. I regret to interrupt the hon. member but the time allotted to him under our Standing Orders has expired.

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, without necessarily recognizing the merits of all the allegations made by the hon. member, I can assure him that the branches of my department in charge of security are closely checking the subversive activities he has just described. Should he wish to bring to my attention more precise facts I will diligently see to it that inquiries are conducted in that respect.

[*English*]

POST OFFICE—SUGGESTED MEETING WITH LETTER CARRIERS UNION TO RESOLVE ALLEGED ADMINISTRATIVE CONFUSION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, on January 12, I raised with the minister in charge of the Post Office a question regarding the statement released that day—it was dated January 7 but released on that day—by the Letter Carriers' Union of Canada regarding conditions in the Post Office which were described in such a way as to cause me considerable concern. The press release reads as follows:

Roger Décarie, national president of the Letter Carriers' Union of Canada, which is composed of some 12,000 members across the country, is not at all satisfied with the department's attitude toward his union.

"We have just finished signing the contract and the struggle has resumed already, "he declared. Postmaster General Jean-Pierre Côté had expressed his wish to improve union/management relations after Mr. Kierans' departure, but since the publication of the Montpetit report, the situation could not be worse.

Senseless and ridiculous positions have arisen from the decentralization project. The Postmaster General is being completely ignored. The Deputy Postmaster General does not know more about the situation than a postal officer. The officer in charge of labour relations never shows up at union/management meetings. No one wants to make decisions, regional officers couldn't care less about departmental authorities in Ottawa and refuse all instructions. Every Tom, Dick and Harry issues instructions to which no one listens, claiming they do not have the necessary authority to act upon them. In short, it is the worst mix-up ever!

In the midst of all this commotion, the Letter Carriers' Union is trying to muddle through and to find solutions to their problems. The national executive of the union is being totally ignored by the Deputy Postmaster General who has instructed his local district and regional officers to engage in discussions on various items at local level.

The press release continues:

The Letter Carriers' Union cannot tolerate such nonsense any longer especially when the bargaining unit is being ignored by the employer. The situation is most critical—we do not want a repetition of the May-August 1970 period.

In departing from quoting this very interesting and disturbing document, in that wish I am sure the Letter Carriers' Union has the support of all of us here and, I am confident, of all the people of Canada. We do not want any repetition of 1970. I have the highest regard for the personal qualities of the man now in charge of the Post Office. I believe he is a man with a conciliatory bent, and I believe he will want to do all he can to forestall what would be indicated by this document as an already pretty serious situation.

• (10:10 p.m.)

The Post Office is a department which serves directly all the people of Canada. It is often, indeed, the most omnipresent outreach and outcrop of the Canadian government as an institution. It is therefore of the utmost importance that the greatest care be taken in so far as the relations of those who work in the department and those who manage it on behalf of the government are concerned.

I would call upon whoever is responding tonight on behalf of the minister to convey to him my earnest desire that the most careful attention and consideration be given to this developing situation. It may now be, to use the Old Testament phraseology, a cloud just a little bigger than a man's hand, but we do not want it to become a heavily ominous cloud which would bring back the disastrous conditions which we all know so well existed in the last 2 1/2 years.

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General of Canada): Mr. Speaker, my colleague the minister responsible for the Postal Service, met with the representatives of the union on January 14, 1971, in order to prevent situations like those described by the hon. member from occurring.

[*English*]

REGIONAL ECONOMIC EXPANSION—APPLICATION BY FALCONBRIDGE NICKEL FOR GRANT—ALLEGED DISCRIMINATION

Mr. Maurice Foster (Algoma): Mr. Speaker, my question today in the House was directed to the Minister of Regional Economic Expansion (Mr. Marchand) and was as follows: "In view of a statement made by the Ontario

minister of mines that the federal government has discriminated against Ontario in the matter of a regional development grant to build a smelter for Falconbridge Nickel at Béconcour, Quebec, can the minister say if Falconbridge Nickel ever applied for a grant to build a smelter in Ontario? If so, was this application turned down?"

The question was prompted by a newspaper report carried on page 2 of the Ottawa *Citizen* last evening, January 20, which quotes Allan Lawrence, minister of mines for the province of Ontario, as accusing the federal government of practising discrimination against the province of Ontario in its economic expansion program. He went on to say that the main reason Falconbridge was building the refinery complex in Quebec was that it was turned down flat by the federal government when it requested assistance to build the smelter in Ontario.

I have trouble believing Mr. Lawrence, as do the people of northern Ontario, but I think the Minister of Regional Economic Expansion should have an opportunity to set the record straight and that is why I ask the question. I have been advised that Falconbridge Nickel never applied for a grant to build a smelter plant in Ontario; they never even made inquiries of the Department of Regional Economic Expansion. Mr. Lawrence made his statement at a meeting where he was trying to woo the support of delegates to the forthcoming Ontario PC leadership convention, so perhaps he can be forgiven.

I believe his statements were based more on a desire to garner delegate support than on facts. Mr. Lawrence is very popular in the north. It is one of the few places in the province where he is running ahead of William Davis for the leadership of his party in Ontario, so perhaps he got carried away with the enthusiasm of his supporters and strayed from the facts on the Falconbridge smelter. However, his words are reckless and irresponsible for a man who aspires to be premier of the province of Ontario, and now he has a credibility gap where his greatest strength is, in northern Ontario.

The question asked in northern Ontario is this: If Mr. Lawrence wanted this smelter to be built in Ontario, why did he not persuade Falconbridge Nickel to build it in Ontario? If he could not persuade them, why did he not force them to build it by passing legislation? That is the real question. This matter is of concern to me as member for Algoma because the closest access to Seaway shipping from Sudbury nickel mines is from the Spragge or Little Current area in the Algoma federal riding. Indeed, there has been talk at different times that the smelter might be located in the Algoma area. We certainly could use the 200 to 300 jobs that it would create. But more important is the question that residents of Ontario want answered. They want to know that they are not being discriminated against by the federal government.

I am convinced that had Falconbridge applied for a grant to build in northern Ontario, which is designated the same as the lower St. Lawrence area, the same grant would have applied. It seems to me that the main reason the company is building on the lower St. Lawrence is that there is year-round shipping there which is not available in the Great Lakes' ports.

Mr. Chas L. Caccia (Parliamentory Secretary to Minister of Manpower and Immigration): The hon. member for Algoma (Mr. Foster) is to be commended for having raised so promptly and effectively an issue of evident concern him, and for his desire to serve the interest of the people he represents. Judging from his remarks, it appears evident that one of the candidates for the leadership of the Ontario Progressive Conservative party was a little carried away.

The allegation by the Ontario minister that the grant discriminates against northern Ontario, the present base of the company's operations, because that area is not eligible for incentives, in nonsense. The facts are that northern Ontario is eligible for incentives and that the Department of Regional Economic Expansion would have provided the same 8 per cent to Falconbridge if the company had chosen to establish there rather than at Bécancour. However, the company itself selected Bécancour.

Motion agreed to and the House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Friday, January 22, 1971

The House met at 11 a.m.

ROUTINE PROCEEDINGS

LABOUR CONDITIONS

UNEMPLOYMENT—EMERGENCY DISCUSSIONS WITH PROVINCES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. G. W. Baldwin (Peace River): Mr. Speaker, pursuant to Standing Order 43 I ask the unanimous consent of the House to present a motion with regard to a matter of urgent and pressing necessity.

This matter concerns the general critical unemployment crisis confronting the nation at this moment and specifically the disproportionate percentage among the youth of this nation, resulting in the critical social disorder and unrest manifested yesterday in Victoria and forecast in other parts of Canada.

With unanimous consent I would move, seconded by the hon. member for Gander-Twillingate (Mr. Lundrigan):

That this House urge the government to immediately hold emergency discussions with the provinces to develop and implement an urgent plan of action to bring relief to the problem and that the House urge the government to bring in immediate amendments to the Unemployment Insurance Act and the Canada Assistance Plan to bring immediate relief to the unemployed and those in need of social assistance.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Peace River under Standing Order 43. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

HARBOURS

ADMINISTRATION RESPECTING SMALL VESSELS ON PACIFIC COAST—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I ask leave under Standing Order 43 to move a motion of urgent and pressing necessity in the matter of small vessel harbours administration on the Pacific coast. The urgency has increased every year since 1964. The necessity arises from the failure of the government to act since the report of an inquiry instituted by the Minister of Transport was received in the fall of 1967.

I therefore ask leave to move seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the matter of small boat harbours administration on the Pacific coast of Canada, including the report of the inquiry into this subject conducted in 1967 by Dr. T. G. How, be referred to the Standing Committee on Transport and Communications with instructions to investigate and report its recommendations for action by this House not later than April 1, 1971; and that for this purpose the committee be authorized to travel from place to place within British Columbia.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Comox-Alberni under Standing Order 43. Unanimous consent is required. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. The motion cannot be put.

• (11:10 a.m.)

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT—IMMEDIATE AMENDMENTS TO UNEMPLOYMENT INSURANCE ACT AND CANADA ASSISTANCE PLAN TO EASE HARDSHIP

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Acting Prime Minister whether the government will consider the immediate implementation of some temporary amendments to the Unemployment Insurance Act, either in the form of a supplementary estimate or in the form of legislation, in order to ease the burden and hardship on unemployed Canadians who cannot qualify for benefits under existing legislation?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, we are having some discussions with the provinces about the proposed legislation but until we have completed our discussions I do not think it would be appropriate to make a decision on such a proposal.

Mr. Baldwin: Would the government consider making immediate amendments to the Canada Assistance Plan in

order to give the provinces more latitude in meeting the unemployment crisis as well as permitting the advancement of various types of social assistance, which is impossible under existing legislation or inadequate where the legislation does permit such assistance?

Mr. Sharp: Mr. Speaker, we are meeting with the welfare ministers next week and I expect that this will be a subject of discussion.

Mr. David Lewis (York South): Mr. Speaker, I wonder whether the Acting Prime Minister would clarify his answer. When he said that there were to be discussions with the provinces, was he referring to the general unemployment insurance amendments represented by the White Paper that was published, or was he referring to amendments of an emergency nature to deal with unemployment in the next two or three months of this winter?

Mr. Sharp: Mr. Speaker, the provinces have expressed an interest in the proposals to amend the Unemployment Insurance Act, and they would be interested in any amendments whether temporary or permanent. As the hon. member knows, if we were to amend the Unemployment Insurance Act in the way he suggested it would have an impact on the future of the plan.

Mr. Lewis: Mr. Speaker, would the Acting Prime Minister therefore inform the House whether the discussions are to involve the making of early emergency amendments, or are the discussions related to something that will happen some months hence?

Mr. Sharp: Mr. Speaker, we are hopeful that we can bring the unemployment insurance legislation before the House reasonably soon. Discussions are taking place, of course, with respect to the white paper that has been tabled.

UNEMPLOYED YOUTH—CANADA COUNCIL ON SOCIAL DEVELOPMENT CONFERENCE—FEDERAL OFFICIALS PARTICIPATING

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question. In view of the fact that the Canadian Council on Social Development has just indicated that the youth problem is of an explosive nature and that they expect to hold a conference around the end of February, can the Acting Prime Minister indicate who the appropriate federal officials will be who will be taking part in this conference?

Mr. Speaker: The hon. member for Gander-Twillingate.

Mr. Alexander: On a point of order, Mr. Speaker, I realize that the Acting Prime Minister is extremely busy and has to deal with many matters that must be brought to his attention, but I think unemployment is one concern about which the House and the nation are very anxious. I would ask the Acting Prime Minister, in view of the fact that the Canadian Council on Social Development has indicated that youth unemployment has reached explosive proportions, whether he would indicate who will be the appropriate federal ministers or officials who will attend the conference sponsored by the council, to be held about the middle or end of February?

Hon. Mitchell Sharp (Acting Prime Minister): We have had representations from the council, Mr. Speaker, and this proposal is under consideration. I cannot answer the question until the cabinet have considered the matter.

UNEMPLOYMENT—SUGGESTED EMERGENCY MEETING WITH PROVINCES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, in view of the fact that the only meetings scheduled with the provinces are meetings with the welfare ministers some time later this month, would the Acting Prime Minister give consideration to holding an emergency meeting with the provinces and specifically designating unemployment as the critical area for discussion? I ask this question because most Canadians are not prepared to wait till spring for the promise of the Minister of Finance to be realized in view of the manifestation yesterday in Victoria—

Mr. Speaker: Order, please.

Mr. Lundrigan: Perhaps the Acting Prime Minister has some urgent matter on his mind that is taking up his attention this morning.

Mr. Speaker: Order, please. The hon. member has asked a question. If there is no reply I suggest he cannot ask it a second time. It may be that the Acting Prime Minister did not hear the question, but I doubt whether it is in order to repeat it.

An hon. Member: Is there anybody responsible for unemployment over there?

Mr. Lundrigan: Maybe I should repeat it.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I misunderstood your action in the House. I thought you were rising to say this was in the nature of a representation rather than a question, but if the hon. member will repeat his question I will be very happy to try to answer it.

Mr. Lundrigan: I know we have a very competent Speaker, but we also have an aspiring Speaker in the House today. I repeat my question to the Acting Prime Minister. Will he consider an emergency meeting with the provinces in addition to the planned meeting with the welfare ministers to discuss immediate plans of action to try to at least ease the burden of unemployment in Canada, in view of the Victoria crisis yesterday and the impending problem in Quebec mentioned by Mr. Cournoyer some time ago?

Mr. Sharp: Mr. Speaker, I can assure the hon. gentleman that the question of unemployment and the payment of welfare to those unemployed will be a matter of first importance in the discussions to be held next week.

CANADIAN NATIONAL RAILWAYS

RETIRED EMPLOYEES' PENSIONS—ACTION TO IMPLEMENT INCREASE RECOMMENDED BY HOUSE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. Has he as yet received assurances from Canadian National Railways that the pensions of retired CNR employees will be increased along the lines recommended by this House?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have already held discussions with the CNR on this subject in order to get information as to what their response was to the report of the standing committee as concurred in by the House. I think I can say at this time that there is sympathetic response. I have asked for the specifics of what the company is anticipating it will do, and I should have this information on Monday or Tuesday of next week.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in addition to seeking information is the minister indicating to the CNR that it would be highly desirable to act on this matter soon?

Mr. Jamieson: Mr. Speaker, I have answered this question in various ways and on numerous occasions. To repeat, I of course take the historic position that it is not my role in any sense to influence the decision of the CNR in these matters in a formal way. But I would hope the hon. member would recognize that I am at least as charitable and responsive to the needs of pensioners as he is, and I have found my own ways of showing this.

Mr. Lewis: How good an advocate are you?

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I think this could be a supplementary question. Will the minister report on discussions with another Crown corporation, Air Canada, as to the possible abatement of lay-offs, particularly in areas like Saint John and Yarmouth?

Mr. Speaker: Order, please. I suggest to the hon. member that is hardly a supplementary question. I believe the hon. member for Winnipeg North has a supplementary to the original question.

[*Later:*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct my question to the Minister of Transport. As the question of pensions is a prime item in negotiations with the CNR on the part of the non-operating railway unions, will he discuss with the CNR the necessity of reaching an agreement on this matter in order to avoid the possibility of a strike which would have very serious effects on the whole economy of the country?

Mr. Jamieson: As I have indicated previously, this is one of the complicating factors with regard to dealing with these people who are already on pension, because a part of the issue is now a matter for collective bargaining. I am sure the hon. member would be among the first to agree that it would be highly inappropriate for me to inject myself into the bargaining process or for us to try to do the negotiating here in parliament. So I have tried to separate the two issues and deal with those already on pension as a somewhat separate issue from the one that is now a source or basis for collective bargaining.

REDUCTION OF PASSENGER SERVICE IN NORTHERN ONTARIO

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, my question has to do with Canadian National Railways service and is directed to the Minister of Transport. Following strong representations by northern Ontario Members of Parliament requesting that the transport committee hold public hearings in northern Ontario in order to assess the implications of the CNR's decision to abandon the services of trains Nos. 7 and 8 between Ottawa and Winnipeg effective January 31, can the minister advise whether the Canadian Transport Commission is in a position to hold such hearings or is prepared to force the CNR to maintain proper services?

Mr. Speaker: Order, please. This is not a supplementary question. The hon. member is asking a related question and he will be given an opportunity to ask it in a moment.

[*Later:*]

Mr. Serré: Mr. Speaker, may I repeat the question I asked awhile ago. Has the Minister of Transport any further report on the developments regarding passenger service in northern Ontario?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am advised that the Canadian Transport Commission has, I believe as of this morning—if the order has not been issued it will be issued some time today—ordered Canadian National Railways to institute dayliner service between Capreol and Nakina in northern Ontario. The dayliner service will have to be introduced under this order simultaneously with the changes affecting the two trains, Nos. 7 and 8, which I believe will happen within a matter of days.

Mr. James A. McGrath (St. John's East): I wonder whether the minister can assure the House that northern Ontario will have much better service when they lose these trains than was the case in Newfoundland?

Some hon. Members: Oh, oh.

* * *

[*Translation*]

AIR TRANSPORT

SUGGESTION THAT PASSENGERS CARRY IDENTITY CARDS

Mr. Roland Godin (Portneuf): Mr. Speaker, I would like to address a question to the Minister of Transport.

Inquiries of the Ministry

Could he advise whether he intends to implement shortly a recommendation of the coroner jury which studied the circumstances of the crash in Toronto, July 5 last, of an Air Canada DC-8, to the effect that in the future air passengers be provided with identity cards bearing their fingerprints?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have seen a reference to the coroner's inquest but only in the news media. I would prefer not to comment until I have seen a formal copy of the recommendation of the coroner's inquest.

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ST. LAWRENCE SEAWAY

OPPORTUNITY FOR MEMBERS TO EXPRESS VIEWS PRIOR TO ACTION ON TOLLS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Transport of which I have given him notice. In view of the recommendation contained in the study made for the minister by D. W. Carr and Associates that the government should unilaterally increase tolls on the St. Lawrence Seaway by 5 per cent annually for the next five years to recover part of the operating costs of the seaway, in view of the great pressure being put on the government by the United States government to raise seaway tolls, and in view of the news report from Washington yesterday which quotes the minister as saying it is highly likely that Canada will inform the United States of its desire to renegotiate the scale of St. Lawrence Seaway tolls, would the minister assure the House that the government will take no action until this very important matter has been thoroughly discussed by the House because of the great impact it can have on the economy of the country?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will try to go quickly through the various phases of that question. In the first instance, I have already indicated there will be no change in seaway tolls in the coming season of 1971. The government has decided that the existing rate of tolls will prevail except for the known increase that is to take place in respect of the Welland canal, which has been under way for four years. On the second matter of the reopening of discussions with the United States, I should be the last person perhaps to fall back on the claim that I was misquoted, but I did not indicate that we would open them purely and solely to deal with the question of increasing the tolls. There are a great many matters involved in our relations with the United States and it is to discuss the whole range of these that the discussions will take place. Finally, with your indulgence, Mr. Speaker, may I say that the reason for releasing the Carr report at this time is to get full representations from all parties concerned with the seaway operation, and of course we have indicated that we will make no decision until after that. I am sure parliament will have ample opportunity to examine the report and perhaps even examine witnesses before a decision is reached.

Mr. Speaker: Perhaps we might now go to the related questions raised a moment ago, first by the hon. member for Saint John-Lancaster.

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AIR CANADA

LAY-OFFS OF EMPLOYEES—REQUEST FOR REPORT ON MINISTER'S DISCUSSIONS WITH CORPORATION

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is directed to the Minister of Transport. Will the minister report on discussions with Air Canada as to the possible abatement of lay-offs, particularly in areas like Saint John and Yarmouth?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the question concerns the possibility of ameliorating the situation of Air Canada employees who have been given notice. I have been in daily contact with the officials of Air Canada. I understand they are discussing this matter with the unions concerned as well as with officials of the Department of Labour. They are disposed to try to soften the blow as much as they possibly can. They have indicaed that their talks should conclude over the weekend, and I would hope for some word early next week.

Mr. Bell: Mr. Speaker, will the minister give us every assurance that there will not be extra lay-offs in any one area, that if there have to be lay-offs they will be across the board, and that there will not be a diminution of service in any city?

Mr. Jamieson: Mr. Speaker, I think this would certainly be one of Air Canada's intentions and I will transmit it in the words of the hon. member.

* * *

LABOUR CONDITIONS

UNEMPLOYMENT—REQUEST FROM BRITISH COLUMBIA FOR PUBLIC WORKS PROJECTS

Mr. Barry Mather (Surrey): I have a question I want to direct to the attention of the Acting Prime Minister. Having in mind the demonstration by unemployed youths at the opening of the British Columbia legislative session in Victoria yesterday and the generally black picture of unemployment in that province, has any request been received from the provincial government urging that additional federal aid be given in the form of useful public works projects?

Hon. Mitchell Sharp (Acting Prime Minister): Not to my knowledge, Mr. Speaker. Of course, the province of British Columbia is participating, as are all other prov-

inces, in the measures that were announced by the Minister of Finance which enable the province of British Columbia to finance projects they would not otherwise be able to finance.

* * *

[*Translation*]

BANKRUPTCY

REPRESENTATIONS BY QUEBEC MINISTER OF JUSTICE ON STUDY COMMITTEE REPORT

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question I wish to direct to the Minister of Consumer and Corporate Affairs.

Following the publication of the report prepared by the study committee on bankruptcy and considering the recommendations contained in this report, has the minister been officially informed as to the Quebec government's concern in this regard and, if so, what attitude does he intend to take?

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I received a letter from the Minister of Justice of Quebec on January 18. There have been some discussions between officials of our two departments, and I am meeting a representative of the minister this afternoon in my office. Naturally, the Quebec government and anyone else interested in making representations will be and have been invited to do so, and an opportunity before any legislation is introduced for them to make comments will be provided.

[*Translation*]

Mr. Fortin: Mr. Speaker, I want to ask a supplementary question. Since the Quebec authorities are concerned with the fact that some of the recommendations contained in the report might be *ultra vires,* is the minister now insisting on considering these recommendations in order to establish whether such concern is justified?

[*English*]

Mr. Basford: I think the hon. member's questions are based on press reports. They are certainly not based on the letters and communications I received from the government of the province of Quebec.

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COMMUNICATIONS

MEMINI SATELLITE PROJECT—INVOLVEMENT OF FEDERAL GOVERNMENT IN DISCUSSIONS BETWEEN QUEBEC AND FRANCE

Mr. Heath Macquarrie (Hillsborough): I should like to direct a question to the Acting Prime Minister. Is he now in a position to reply to the question I directed on Tuesday regarding the Canadian government's involvement in the discussions and planning in reference to the Memini telecommunications satellite?

Hon. Mitchell Sharp (Acting Prime Minister): Yes, Mr. Speaker, if I can find the reference. Perhaps you could go on to something else and I might be permitted to rise again.

[*Later:*]

Mr. Sharp: I should now like to reply to the question put by the hon. member for Hillsborough. The Canadian government has not been informed of and is not involved in any discussions with or between France and Quebec regarding this project. I take it for granted that no significant step would be taken in such a matter which concerns both Quebec and the federal government without full prior consultation.

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NATIONAL PARKS

BONNE BAY—EXPEDITING OF ESTABLISHMENT TO PROVIDE EMPLOYMENT

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question is directed to the Minister of Indian Affairs and Northern Development. In view of the serious unemployment situation, would the minister do his utmost to accelerate work on the creation of a national park at Bonne Bay in western Newfoundland?

Mr. Speaker: Order, please.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I have already given instructions in that regard, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member is making a representation.

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NATIONAL DEFENCE

ASSURANCE THAT NERVE GAS TESTS ARE NOT BEING CONDUCTED

Mr. Lorne Nystrom (Yorkton-Melville): My question is for the Minister of National Defence but in view of his absence I will direct it to the Acting Prime Minister. In view of the fact that more than 1,000 sheep have died or are dying near a nerve gas testing sight in Utah, can the Acting Prime Minister assure the House that no similar tests are taking place at Suffield, Alberta?

Mr. Baldwin: How about the sheep over there?

Inquiries of the Ministry

Hon. Mitchell Sharp (Acting Prime Minister): May I take notice of that question, Mr. Speaker.

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BRIDGES

COMPLETION AND PUBLICATION OF REPORT ON FIRST NARROWS CROSSING, VANCOUVER

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, I have a question for the Minister of Transport. Will the minister advise the House if the Swan Wooster Report with respect to the First Narrows crossing in Vancouver harbour has been completed, has the British Columbia government been informed, and will the report be made public?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, the report has been completed. It has been delivered to the government of British Columbia and I believe to the municipalities. If members of the public are interested, I see no reason why we would not be able to make copies available.

* * *

INDIAN AFFAIRS

LENNOX ISLAND RESERVE—SAFE MEANS OF TRAVELLING TO MAINLAND

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a question to the Minister of Indian Affairs and Northern Development. Can he indicate to the House what steps are being taken by his department to ensure that there will be no loss of life this winter among Indian people who must travel from Lennox Island to the mainland of Prince Edward Island?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I have no specific answer to that question, Mr. Speaker. The situation remains the same. Unfortunately these people are living on an island and they have to cross the channel. We try to advise them as best we can, and there is no other way. We cannot build a bridge immediately or next week. Anyway, I do not know if it would be economic to build a bridge.

Mr. MacDonald (Egmont): In view of the fact that a number of Indians have lost their lives because of inadequate transportation, would the minister make a statement on motions shortly in order that this serious problem can be alleviated?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I do not intend to make a statement on this subject. We are constantly examining the situation, and I am inclined to think that we will not have to deplore any loss of life this winter.

[Mr. Baldwin.]

[*English*]

AIR TRANSPORT

TRANSFER OF RESPONSIBILITY TO INVESTIGATE CRASHES TO INDEPENDENT BODY

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wish to direct a question to the Minister of Transport. In light of the very serious situation that has arisen out of the crash of the DC-8 in Toronto last July, would the minister give serious consideration to the removal from his department of the responsibility for investigating such incidents and place it in the hands of an independent inquiry commission or board, so that the families of the victims may not in future have to go through the trials visited upon them as a result of the confusion arising out of this investigation?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I certainly reject what I deduce to be the allegation in the final observation of the hon. member because I am totally satisfied that the investigation of this unfortunate incident was thorough and objective. However, with respect to the broader question he raised, as I have stated previously I have no objection in principle to some other arrangement being made with regard to the investigation of accidents. The difficulty is that there is virtually no unanimity among all the parties concerned on what the technique ought to be. However, the matter is getting ongoing attention, and if a better arrangement can be devised we will be glad to implement it.

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CANADIAN NATIONAL RAILWAYS

NEWFOUNDLAND—REQUEST FOR REINSTATEMENT OF TRAIN SERVICE

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I wish to direct a question to the Minister of Transport. In view of the almost complete breakdown of bus passenger service in Newfoundland, and the recent almost near tragedy when a bus with 25 passengers was lost for 12 hours, would the minister take the necessary action to have rail passenger service reinstated in Newfoundland?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I too noted, with a great deal of regret, that a bus had difficulty during a very severe snowstorm for a matter of 12 hours. I would be much more interested in the hon. member's suggestion if I still did not have very vivid memories of being stuck for four days on the Newfie Bullet half way across Newfoundland.

Mr. Carter: Mr. Speaker, would the minister give consideration to providing the travelling public in Newfoundland with a service equal to that to be provided in northern Ontario—dayliner service?

Mr. Speaker: Order, please.

Mr. James A. McGrath (St. John's East): Mr. Speaker, would the minister tell the House whether, when he was stuck for four days on the Bullet, he had the comforts of a place to sleep and hot food to eat?

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I would like to ask the Minister of Transport, first, if he was ever blown off the rails while travelling on a train and, second, if he ever hung over the Exploits River in a bus held back only by a tree?

Some hon. Members: Oh, oh!

Mr. Lundrigan: Mr. Speaker—

Mr. Speaker: Order, please. I do not want to be unfair to the hon. member for Gander-Twillingate and leave him as the only member from his province who has not asked a supplementary on this matter, so I will call on No. 4.

NEWFOUNDLAND—REQUEST FOR REPORTS ON BUS ACCIDENTS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is a very serious supplementary, but first of all I was on that train, and I do not recall the minister being there when that happened.

Some hon. Members: Oh, oh!

Mr. Lundrigan: Can the minister give us an indication of when we will receive the reports of the investigations into the numerous bus accidents that have occurred since the institution of that service? I do not recall a single word of any report being released by the CNR. When can we expect the results of those inquiries?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I cannot be specific about this but I will find out. I can assure the hon. member that all such accidents are investigated. I regret the emphasis that hon. members have placed on the number of accidents. Generally speaking, there have not been that many and the safety record of the service has been excellent.

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ADMINISTRATION OF JUSTICE

INVESTIGATION OF ALLEGED ATTEMPT BY POLICE TO PLANT DRUGS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, further to the question I asked the Solicitor General on January 14 about the alleged attempt by police to plant drugs in a residence in a small Saskatchewan city, does the minister now have an answer to that question?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am informed that this story is absolutely groundless.

Inquiries of the Ministry

POLLUTION

REPORT ON INQUIRY INTO MERCURY CONTAMINATION OF RIVERS FLOWING INTO JAMES BAY

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the Minister of Indian Affairs and Northern Development.

Has the minister received a report about the inquiry on pollution caused by mercury discharged into rivers running into James Bay? Does he know who is to blame for this pollution?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I shall be pleased to look into the matter and report directly to the hon. member. I do not have any information on hand at this time.

* * *

[*English*]

ENERGY

POSSIBLE OIL TANKER ROUTE BETWEEN VALDEZ, ALASKA, AND SEATTLE, WASHINGTON

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I wish to direct a question to the Minister of Transport. Have discussions taken place with the United States government concerning the possibility of establishing an oil tanker route between Valdez, Alaska, and Seattle, Washington?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, other than the normal discussions that go on with the United States with respect to navigation matters on an international basis, there have not been any discussions on the specific subject of a tanker route in that area.

OIL AND GAS PIPELINE CONSTRUCTION IN NORTH—COMPLETION OF RESEARCH ACTIVITIES

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I wish to direct a supplementary question to the Minister of Indian Affairs and Northern Development. Can he tell the House when the present research activities in the Canadian north on the problems of oil and gas pipeline construction is expected to provide enough information for construction decisions in that area?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am confident that we shall obtain the required information in the course of next summer.

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[*English*]

AIR TRANSPORT

MANITOBA—RESTORATION OF CLASS A REGIONAL SERVICE

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

would like to shift the action to western Canada for a moment. Has the minister received an invitation to preside at the official opening of the new air terminal subsidized by the Department of Transport to serve southwestern Manitoba? Has he accepted that invitation, and will he be announcing the restoration of class A regional air service during the ceremonies so that this fine new facility will have some useful function?

Mr. Speaker: I doubt whether the question is in order. The hon. member will appreciate that it is not quite in order to ask the minister if he has received an invitation to attend a public function, and whether he will attend. I think that the hon. member for Oxford might have an acceptable question so far as the Chair is concerned.

Mr. Dinsdale: On a point of order, Mr. Speaker, may I rephrase my question to make it come within the ambit of the rules. Will the Minister of Transport consult with his deskmate, the Minister of Supply and Services, concerning the importance of the restoration of class A service?

Mr. Speaker: Order, please. This further question, or reframed question, is in the nature of a representation. Perhaps the hon. member could look across the aisle and see if the minister is giving effect to his suggestion.

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AIRPORTS

TORONTO—PLANS TO ALLEVIATE GROUND TRAFFIC PROBLEM

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, since this seems to be the Minister of Transport's day in the House, so to speak, I also have a question for him. Has he any plans or is he in a position at the moment to announce plans to alleviate the increasingly acute traffic problem at Toronto International Airport? I refer specifically to those vehicles which are taking passengers to or from the airport. At the same time, could the minister reply to a question which he started to reply to about a year ago regarding the use of the RCMP to direct traffic and replacing them by the Corps of Commissioners or something similar?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have answered various parts of this question before. I would much prefer to answer the question asked by the hon. member for Brandon-Souris. The problem in Toronto is compounded, as the hon. member knows, by our anxiety to give a fair break to the Toronto taxi drivers in giving them access to fares from the airport. We are looking at the whole question of parking and the general control of traffic in the area. I hope that with a change in the manner of directing traffic along the lines proposed by the hon. member, or something of this sort, we can alleviate the situation.

[Mr. Dinsdale.]

PENITENTIARIES

PRINCE ALBERT—PAYMENT OF CERTAIN GUARDS DURING PERIOD OF SUSPENSION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, yesterday I asked a question of the Solicitor General concerning the riot at Prince Albert Penitentiary. I was then advised by the Minister that the report in connection with the investigation would not be produced. Is it not a fact that in the investigation it was decided that there was no negligence on the part of the guards or warders? If that is so, is it the intention of the government, now that these suspended guards have been reinstated, to compensate them for the money they lost during their suspension?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, six penitentiary officers were suspended following the inquiry, because it revealed circumstances where these officers had been negligent to say the least.

It is the intention of the department to be very strict in the application of internal regulations in prisons because those who are responsible for order there must be the first to set an example to the inmates.

It was in this light that we applied sanctions. As I mentioned yesterday, a grievance was filed by one of the officers. It is the only one. It is still being examined and we shall continue this examination in the normal way.

[*English*]

Mr. Diefenbaker: Mr. Speaker, the question is, are those six who were suspended to receive compensation for the period during which they were suspended?

[*Translation*]

Mr. Goyer: Absolutely not, Mr. Speaker. Their suspension was without pay.

[*English*]

Mr. Diefenbaker: That being so, Mr. Speaker, why is the government concealing the nature and particulars of the report which I understand places the responsibility right here in Ottawa?

[*Translation*]

Mr. Goyer: Mr. Speaker, suspension of penitentiary officers was perhaps not practiced in the past, but henceforth it will be. I repeat, it will be done fairly, and according to rules.

[*English*]

Mr. Diefenbaker: But the facts were concealed.

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CONSUMER AFFAIRS

REQUEST FOR INVESTIGATION OF SPREAD IN PORK PRICES

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, may I direct a question to the Minister of Consumer

and Corporate Affairs. In view of the spread in pork prices between the 20 cents a pound for dressed pork which a farmer receives in Saskatchewan and the retail price of pork products such as ham, which sells for $1.20 per pound, will the minister look into this price difference and consider appropriate action?

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URBAN AFFAIRS

METROPOLITAN TORONTO—FEDERAL GOVERNMENT REPRESENTATION AT TRANSPORTATION CONFERENCE

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Minister without Portfolio responsible for housing and urban affairs. Has the minister indicated to the chairman of Metropolitan Toronto since his recent meeting with him that the federal government will attend the conference to be called by Metro Toronto Council for all levels of government and all relevant transportation authorities?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, to the best of my knowledge, this conference has not been brought to my attention. I shall certainly be receptive to such an invitation if it should come my way.

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HOUSING

STATUS OF MORTGAGE ON ROCHDALE COLLEGE, TORONTO

Hon. Robert K. Andras (Minister without Portfolio): May I, on a question of privilege, correct an error that I made yesterday in answer to a question, as reported at page 2622 of *Hansard*. I used the word "mortgagee" whereas I ought to have used "mortgagor". I thank the hon. member for Hamilton West for bringing this matter to my attention.

Mr. Alexander: I will send the minister my bill later.

Some hon. Members: Hear, hear.

Mr. McCleave: Mr. Speaker, I gave counsel without fee to the hon. member for Hamilton West as a result of which he suggested the correction.

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EXTERNAL AFFAIRS

SPECIAL PROTECTION FOR FOREIGN DIPLOMATS IN CANADA

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I direct my question to the Secretary of State for External Affairs. Has the government decided to organize special continuing protection for foreign diplomats in Canada. If so, will the minister be making a statement on motions to outline it?

Inquiries of the Ministry

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the department has, of course, in recent months taken very special care of diplomats who are resident here. We have also responded to the requests of diplomats who feel that their lives or safety are in danger. These arrangements are made partly with the local police and partly with the federal police.

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TRANSPORT

AIR CANADA AND CANADIAN NATIONAL RAILWAYS—PROTECTION OF INTERESTS OF PEOPLE

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, may I direct a question to the Minister of Transport which is supplementary to questions asked earlier about transport problems. Will the minister once and for all put his foot down in his negotiations with Air Canada and Canadian National, and will he assure the House that he will protect the interests of the people concerned rather than the interests of the various organizations?

Mr. Speaker: Order, please.

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INDUSTRY

RENFREW AIRCRAFT AND ENGINEERING COMPANY—INVESTIGATION OF PROPOSED CLOSING

Mr. David Lewis (York South): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. Last Tuesday I asked him whether he was aware of the intention of Renfrew Aircraft and Engineering Company to close its doors on March 31, thus putting a large number of people, in relation to the size of the community, out of work. The minister said that he had no knowledge of this but that he would inquire.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I inquired and the answer would take at least ten minutes to read. It is very complex and has to do with a general decline in the aircraft industry and with intercompany relations, in this case United Aircraft and Renfrew Aircraft. In checking, I found that since the designation of the Renfrew area in April, 1970, the Department of Regional Economic Expansion has approved four applications for regional development incentives involving capital expenditures of $2.9 million and 241 new jobs.

Mr. Speaker: Order, please.

PROPOSED CLOSING OF MANIWAKI LUMBER PLANT

Mr. David Lewis (York South): Has the Minister of Industry, Trade and Commerce seen reports of the intention to close a lumber plant in Maniwaki on March 5? Has he investigated that situation, since all over the country plants are closing and adding to the desperate unemployment we now face?

Inquiries of the Ministry

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, this is too easy a question. It is terribly easy for the hon. member to mention that plants, here and there, in Quebec or in Manitoba are closing. Indeed, plants will close in various parts of this country, but it is part of economic change and economic development that plants close and others open.

Mr. McGrath: That kind of progress we can do without.

Mr. Lewis: On a point of order, Mr. Speaker, I understand that a minister has the right either to answer a question or not to answer it, but I am darned if he has the right to read a banal lecture to members of the House instead of replying to a question. If he does not know the answer, he should say so.

Mr. Speaker: Order, please. The hon. member for Prince Edward-Hastings.

Mr. Pepin: I rise on a question of privilege, Mr. Speaker. The question raised by the hon. member was one that was six months old. It has been fully covered and investigated by two or three departments of government. It is unfair for him to resurrect cases that are six months old and enumerate plants that are closing in the country.

Mr. Speaker: Order, please. I wonder whether the debate between the hon. member and the minister either on a point of order or a question of privilege will be very fruitful.

Mr. Hees: Mr. Speaker, I am glad to be able to restore calm to the chamber.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member for York South is rising on a question of privilege.

Mr. Lewis: Mr. Speaker, I am sorry to take up time this way, but, as a member of the House I do not for one moment intend to sit back and take that kind of remark.

Some hon. Members: Oh, oh!

Mr. Lewis: The accusation of unfairness was unwarranted. I am concerned about the matter because the closing will take place on March 5. If the minister cannot do anything about it let him admit it instead of saying these things.

Mr. Speaker: Order, please. We still have not accomplished very much. The hon. member for Prince Edward-Hastings.

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NATIONAL PARKS

TRANSFER OF TRENT VALLEY AREA TO PARKS ADMINISTRATION

Hon. George Hees (Prince Edward-Hastings): The third time is lucky, Mr. Speaker. Since the Minister of Transport and the Minister of Indian Affairs and Northern Development are both in the House, may I direct my question to the Minister of Indian Affairs and Northern Development. May I ask whether the takeover by his department from the Department of Transport of the Trent Valley system in order to turn that beautiful area into a national park has been completed, and whether we can expect work on this project to start soon?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, the transfer has not yet been completed, but we hope it can soon be carried out.

[*English*]

Mr. Speaker: Orders of the day.

Mr. Peddle: On a point of order, Mr. Speaker, since the beginning of the question period I have been rising to ask what I regard as a very important question. I had hoped that Your Honour would not regard by brief intervention earlier as being anything more than a reflex action provoked by the previous question.

Mr. Speaker: The hon. member may have an important question to ask but I am sure there are other hon. members who also have important questions which could not be raised. Unfortunately the question period is over. The hon. member might, with the unanimous consent of the House, ask his question if he so wishes. I tried to give an opportunity to every member who rose, and a number of hon. members who were given an opportunity to ask questions were rising for a second time. I may be wrong, but I have the impression that the hon. member was called upon earlier in the question period. In any event, I hope his question can wait until Monday.

Mr. Peddle: When Your Honour expresses the hope that my question can wait, does it mean that if it cannot wait you will allow it?

Mr. Speaker: I would be prepared to allow the question now. I suggest to hon. members that the hon. member be allowed to ask his question, though I was under the impression I had recognized him at the beginning of the question period.

Some hon. Members: Agreed.

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EXTERNAL AFFAIRS

FUTURE USE OF GOOSE BAY BASE BY UNITED STATES AIR FORCE—RENEWAL OF LEASE

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): My question is directed to the Acting Prime Minister in his capacity as Secretary of State for External Affairs. In view of the announced 40 per cent reduction in forces by the United States Air Force at Goose Bay, can the minister inform the House whether, in the discussions which took place prior to the announcement,

the United States defence department gave any indication that they intend to renew the lease for the air base which expires in June of next year? Is it Canada's intention to renew the lease, and can the minister tell us whether the 20-year lease signed in 1952 between Canada and the United States superceded the original 99-year lease signed in 1945 between the government of Canada and the government of Newfoundland?

Hon. Mitchell Sharp (Secretary of State for External Affairs): As I said yesterday, Mr. Speaker, I understand that the United States government does not intend to declare this base surplus. Negotiations for a continuation of the lease are now under way.

• (12:00 noon)

GOVERNMENT ORDERS

TEXTILE AND CLOTHING BOARD ACT

ESTABLISHMENT, INQUIRIES, REPORTS AND ASSISTANCE BENEFITS FOR WORKERS

The House resumed, from Thursday, January 21, consideration of the motion of Mr. Pepin that Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other acts in consequence thereof, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I simply wish to report to the House that conversations have been held with the leaders of the parties opposite in connection with the desire of the Minister of Labour (Mr. Mackasey) to speak immediately after the Minister of Industry, Trade and Commerce (Mr. Pepin). It is evident that the remarks to be made by the Minister of Labour could benefit all members of the House, including hon. members opposite who will follow him in the debate, and it has been agreed that this somewhat unusual order should prevail in this instance.

Mr. Baldwin: That is correct. We are always interested in hearing the novel comments of the Minister of Labour.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Last night, Mr. Speaker, I divided my speech into three portions. First, I dealt with what has been going on since May 14 when I announced in the House the government's new textile policy. I talked about the creation of the board, about promotion efforts, about the voluntary restraint agreements which had been signed or are being negotiated.

Then, I started explaining the ideas embodied in the bill before us. I dealt with the composition of the board and the criteria upon which it would base its judgments. I explained the functions of the board. I emphasized that the board has final authority when it comes to determining whether there is injury or threat of injury, and when it comes to determining the value of plans presented by the industry, but that it does not have final responsibility in matters affecting the degree of protection needed. That is a field of government responsibility; the board only makes recommendations. Some people have misunderstood this point. Next I tried to describe the changes the bill proposes to make to the Export and Import Permits Act. This is where I was last night when the sitting came to an end.

The new textile policy envisages the application of unilateral measures, including import quotas, in cases where a negotiated solution, such as a restraint agreement, cannot be reached. As I said last night, we always try to reach a negotiated agreement with low-cost countries whenever possible. The amendment in the bill would enable the government to do this. However, the new subclause could be invoked only after a formal determination of injury by the Textile and Clothing Board in the case of textiles and clothing and by the Anti-dumping Tribunal in the case of all other goods. Moreover, any restrictions imposed under this clause would remain in force only for the period required to prevent or remedy an injury. It is clear, therefore, that action under this new subsection would be taken only when needed and would take into account the provisions of relevant international agreements.

I might emphasize in this connection that most other countries have standing authority to take unilateral action of this type. However, the approach taken by the Canadian government contrasts sharply with the policy pursued by other countries in that many of them do not require a formal determination of injury to be made before proceeding with restrictive action. I think this is extremely important, and I suggest that hon. members commenting on this subject should take these facts into account.

Incidentally, I am sure the proposed amendment will commend itself to the great majority of hon. members. When another amendment to this act was before the House in February, 1969, the spokesman for the Progressive Conservative party, the hon. member for Calgary Centre (Mr. Harkness) and for the New Democratic Party, the hon. member for Waterloo (Mr. Saltsman), expressed a desire to see the act used more effectively and extended in terms of the products to which it applies.

A few words, now, about the changes in the Customs Act. There have been cases in the past where countries agree to restrain their exports in order to prevent a serious disruption of the Canadian market but were unable to do so effectively. I have in mind a voluntary restraint agreement with respect to which the country which had agreed to restrain was not in a position to implement the agreement it had accepted. As I indicated earlier, the new policy envisages continued reliance on negotiated restraint as the principal means of protecting against disruptive imports. However, such an approach

can only work if the agreed restraint levels are effectively enforced. The proposed amendment to the Customs Act will enable the government to assist the exporting countries in fulfilling their commitments.

This should be enough on the main parts of the bill itself. The last part of my remarks concern what is left to be done, what is ahead.

[*Translation*]

It is apparent, Mr. Speaker, that once this bill is passed, most of the main elements of the textile policy will have been put in place, including the establishment of the Textile and Clothing Board, the amendment of the General Adjustment Assistance Program, the introduction of the adjustment assistance program for workers, of which the Minister of Labour (Mr. Mackasey) will be speaking in a few minutes, increased export promotion efforts, and the amendments to the Export and Import Permits Act and the Customs Act required for proper implementation of the new policy.

There are three other elements; first, rationalization of the textile tariff; second, establishment of Development and Productivity Centres; and third better statistics. I will say a few words about each one.

With respect to rationalization of textile tariff, the officials of my department are at present endeavouring to establish—in close consultation with the industry—the extent to which the conditional drawback procedures now available to shirt manufacturers could appropriately be extended to other sectors of the apparel industry. We know what a drawback is: an industrialist pays the required import tariff but gets it back if certain conditions are met. I know that this is of special interest to the hon. member for Gamelin (Mr. Portelance). If a workable solution can be found to this problem, costs to manufacturers of some types of garments could be reduced. In addition to any interim measures that may be taken along these lines, the government will undertake a systematic review of the textile and clothing tariffs. If the findings of this study make it possible to introduce an important change into the customs tariff, Canada will endeavour, on the other hand, to improve its access to export markets, or to obtain corresponding compensations. In plain English, it means that should it be decided to change the tariff, attempts will be made to "sell" these changes in exchange for advantage from other countries. In this connection, I should like to reiterate the government's readiness to join with other countries in efforts to seek a liberalization of the highly restrictive environment in which the world textile trade takes place at the present time.

Secondly, task forces for the textile and clothing industries consisting of industry and government representatives have been created to develop detailed proposals for the establishment of the Development and Productivity Centres. It is expected that they will submit their recommendations by the middle of this year.

And, finally, the Dominion Bureau of Statistics has indicated that with some refinement in compilation and reporting procedures it expects to be in the position to provide on a timely basis all the statistics required for the effective administration of the new textile policy.

I have now accounted, Mr. Speaker, for all of the elements of the new textile policy as announced on May 14 last year.

Following my announcement of the new textile policy on May 14, my good friend the hon. member for South Western Nova (Mr. Comeau) made a vigorous plea for "a more equitable balance than exists today."

It is my contention that the new textile policy achieves an "equitable balance." In fact it may be unique in this respect, both as a textile policy and as a policy developed for a particular industry sector. It takes into account regional and social considerations, producer and consumer interests, our industrial development and trade objectives, as well as our international obligations. I am certain that some will consider it too protectionist, others not protective enough. That in itself is an indication of the careful balance that has been struck.

Mr. Speaker, it is essential that the textile policy succeeds. For the first time, the government defines and presents, I would say, a general framework for every sector of a secondary industry, covering all aspects: imports, exports, production, research, development, promotion, etc. I believe it is the first time such a framework has been offered.

All interested parties asked that it be done. Producers said: What do you want us to do? Exporters were also interested. Unions, consumers, in one word everybody was looking for a clearer philosophy, a more definite structure and that is what we are offering today in Bill C-215.

I repeat, it is very important that the policy succeeds. Therefore, the government needs and expects the cooperation of all sectors of the industry, all interested parties and, particularly today, all members of Parliament, both of the government and opposition parties.

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, first of all, may I express my appreciation to the House for permitting me to speak out of what would be the normal order of speakers so that I may try to clarify, to some extent at least, clause 21 of this particular bill to establish a Textile and Clothing Board. I think the minister sponsoring the bill explained in great detail last night and again today the benefits that could flow from this new policy.

As Minister of Labour I am, of course, concerned with any policy that could cause disruption of any type in the working force of this country. I am not unaware of the particular problems faced by labour-intensive industries such as the textile industry and the need to make them more competitive and efficient so they are able to meet the challenge of other countries which are traditional competitors in the field of textiles. I think it is safe to say that over the next year we will be faced more and more with the question of labour-intensive industries compet-

ing with countries that have lower labour costs. The answer to this problem is, of course, to have a higher degree of productivity, which sometimes results only from a greater degree of automation and acceptance of technological change.

I think that society, and certainly governments that take the initiative the minister has taken to rationalize those sections of industry that require rationalization in order to remain viable and vigorous, have in turn an obligation to provide assistance to those workers in labour-intensive industries who are affected by this policy. For this reason, I am very pleased that the minister, in collaboration with me and my department, has seen fit to include in this bill clause 21, which provides financial assistance and a certain degree of security for those workers who can be identified by a formula as members of the textile industry.

I do not intend to prolong the debate, in view of the courtesy and co-operation extended to me by the opposition, by speaking at length on the whole concept of rationalization and the effect it has on the work force, together with the moral obligations imposed on management and on government to help displaced workers. Rather, I shall confine my remarks to clause 21 and explain in a little greater detail in the House, before it is made public through the medium of the press, precisely what aspects can be emphasized at the moment.

I think the minister who has just spoken made it very clear that the end result, the logical conclusion of this policy, would be a more viable, vigorous and competitive textile industry in Canada. This, in turn, will mean not only the survival of the industry but, if his predictions are accurate—and I believe they are—it will mean an expanded textile industry over the next decade, and particularly a competitive one that does not have to depend for its survival entirely on high tariffs. This is in the best interests of the workers as well, of course, as of the country and for the economic picture in Canada.

With these ends in mind, the minister has brought in what I think is a very forward-looking piece of legislation; this is the type of action we should be taking more and more in connection with other industries. We have not ignored the fact, however, that these beneficial changes could and might result in some disruptive effect, even of a temporary nature, on those people presently employed in the textile industry, which as I have mentioned in some parts of the country tends to be very labour-intensive.

Clause 21 provides that, in order to keep any adverse effects of unemployment to a minimum, there will be a special program of benefits to those assisted workers affected by the bill and who have to cope with the problems of adjustment. In coming to this decision the government has been very conscious of the fact that many workers employed in the textile and clothing industry are over 50 years of age and are located in many instances in small centres where employment opportunities are limited. These are workers who possess skills which are not readily adapted to other work because of their long association with the textile industry.

• (12:10 p.m.)

I should like to outline very briefly some of the features of this program. Perhaps I should just read the clause of the bill in order to explain more fully what we intend to do. Clause 21 provides that any producer of textiles and clothing, or any trade union representing the workers of that industry, or any representative group of non-organized workers where unions do not exist, may apply to the Textile and Clothing Board for certification in respect of a lay-off of significant size and duration that can be directly attributed to one of several causes.

One cause, for instance, is the reduction of tariffs on any textiles or clothing goods imported into Canada which could cause temporary unemployment in a transitional period, or any condition set up by the government for special protection, or any case of serious injury or threat to the production of any textile or clothing goods as a result of import competition in circumstances where special measures of protection have not been recommended and not deemed practicable. This is the area which could only survive with particularly high tariffs.

Workers affected by lay-offs and certified by the board will be entitled to apply as individuals for specific benefits, the details of which will be covered by regulations now being prepared by the department. These regulations will be made under the authority of the provisions of Appropriation Act No. 4, which was approved by the House on December 15 and received Royal Assent on December 18, 1970. Provisions for the fund were made in the supplementary estimates of the Department for 1970-71.

The adjustment assistance program will provide for two types of benefits. The first is a supplementary benefit which will apply to all people who are associated with the textile industry regardless of age; that is for those workers regardless of age who are in receipt of unemployment insurance benefits as a result of lay-offs. Where lay-offs may occur that have a clearly established attachment to the industry there will be supplementary benefits which, when added to the benefits available under the present unemployment insurance system, will provide for a total benefit to a maximum of $100 per week, or two-thirds of the previous income from employment in the industry. Subject to transitional arrangements, these benefits will be payable only until such time as the benefit provisions of the new unemployment insurance act comes into force. This simply means that if there are some applications approved which result in this type of dislocation before the new Unemployment Insurance Act comes into effect, then the provisions of the new act will apply immediately, as of tomorrow theoretically, through the payment of supplementary unemployment insurance benefits to bring the benefits up to the level we propose under the new plan. When the new plan comes into effect, these people will fall within the new plan and the supplementary unemployment benefits will be eliminated.

Perhaps the more important feature of the plan that we propose for those workers who are over 54 years of age at the date of lay-off is that there will be a pre-

retirement benefit amounting to 50 per cent of previous earnings, payable after the unemployment insurance benefits have been exhausted, and, if need be, until age 65 when entitlement to benefits under the Canada Pension Plan and the Old Age Security Plan begins. In other words, we have taken into consideration the fact that people over age 54 in the textile industry who have been associated with this industry for perhaps 20 or 30 years, who have no other particular skills and live in small communities in which perhaps the textile industry has been dominant, in the event of the plant closing down or automation causing a reduction in the work force, have a particular problem in view of the limited application of their special skills. Providing, of course, that we are unable to find them suitable work, and providing that even with training through the Department of Manpower and Immigration they are unable to find employment in the community or within a reasonable distance, we feel it is only logical that these people over age 54 who have been displaced, through circumstances beyond their own personal control, should have some form of personal assistance.

For that reason we propose, subject specifically to exhaustion of unemployment insurance benefits and the assurance that work is not available with or without manpower training, these people will be entitled to pre-retirement benefits from the age of 54, from the date of exhaustion of unemployment insurance benefits until age 65. These benefits will, of course, be subject to a scale which will be related to their income over a reasonable period of time during which they were employed by the textile industry. I might say that until the regulations are completed, the initial maximum payment under the pre-retirement benefit plan will be $75 a week. The amount of benefits will be adjusted for cost of living increases in the same manner that benefits are adjusted under the Canada Pension Plan. So, there will be an escalating feature to the pre-retirement payment. It will work precisely as the Canada Pension Plan works and it is based on studies that have been made primarily in the United States.

We will try to encourage people of age 54, 55, 56 and so forth to supplement this income up to $75 a week by not penalizing them by eliminating, as it were, their pre-retirement benefits if they work elsewhere. In other words, what we intend to do is permit persons drawing these retirement benefits amounting to up to $75 a week to benefit by an amount equal to half of any monies they may earn from another job in the community. In other words, they will be entitled to increase this benefit of $75 a week by 50 per cent of any supplementary earnings they may have of a temporary nature.

To qualify for this particular pension benefit, or the pre-retirement benefit, as we prefer to call it, a worker will have to meet a certain number of reasonable conditions designed primarily to establish the fact that the worker has traditionally been attached to or associated with the textile industry. He will have to have worked for ten years in the industry during the last 15 years prior to lay-off. I think this is a very fair proposition in that we are trying to design a specific program for a particular group of Canadians, those people associated with the textile industry who live in small communities where job opportunities are very limited.

If, for instance, in one community in Ontario of which I am aware, where the textile industry dominates the community, a worker has been attached to that textile industry for ten of the last 15 years, he will be eligible for the benefits, provided, of course, he meets the other conditions already mentioned and provided it is shown that his lay-off results from the conditions specified in Bill C-218. He will, of course, have to be certified by the Department of Manpower and Immigration as an individual for whom there is no present prospect of placement with or without training assistance. It is obvious that if there is a job available in the town for a man with this particular skill, perhaps in another textile concern, and the job is available, we expect him to accept it. If there is a requirement for retraining through the Department of Manpower and Immigration, that department will retrain the individual in order to equip him for that job, but these are the exceptions. If a job is not available, with or without retraining, and if a man has ten years in the industry in the last 15 years, he will be eligible.

• (12:20 p.m.)

The third condition is that the Manpower Department would periodically re-assess employment prospects in that particular community to make certain that a very small minority of people are not drawing the pension rather than taking advantage of work opportunities as industry expands once again. That is a brief explanation of the workers adjustment assistance plan. I introduce it with a considerable degree of satisfaction because I think it will create a unique and significant innovation in this country. At least we are recognizing the particular problem of people between the ages of 54 and 65 who are being displaced from an industry, certain segments of which the government thinks should be rationalized, in order to convert it to a more competitive position so that in the long run that industry will survive. I believe this will help the older workers to adjust to the problem of displacement with preservation of the individual's pride and dignity. I think the introduction of this program represents an important step forward in our effort to cushion the impact of unemployment through industrial change. This is a subject on which I have spoken on previous occasions, and on which I will have an opportunity to speak at length and in depth later on in this session.

In conclusion, may I say I would hope that all members of the House would accept the principle of the proposal that is outlined in clause 21 of the bill by which, if I might recapitulate, we would help all workers who are displaced, regardless of age, by supplementing their unemployment insurance benefits to the extent that they will draw two-thirds of their present income until the new Unemployment Insurance Act comes into effect. When those benefits have run out, those workers over

age 54 who can show that over the last 15 years they were associated with the textile industry for at least 10 of those years, and who can establish by certificate by the Department of Manpower and Immigration that they are individuals for whom there is no suitable work in the community, will be eligible for this pre-retirement plan until age 65. The benefits are geared to their average income while they worked in the industry up to a maximum of $75 a week with an escalation clause similar to that which exists under the Canada Pension Plan.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, Bill C-215 gives me the opportunity to comment on the conditions now prevailing in the textile industry.

I do not intend to speak at great length, because I know that certain members of my party also want to take part in this debate.

I think that without sharing the enthusiasm of the Minister of Industry, Trade and Commerce (Mr. Pepin) on the effects of that legislation, we will give him our support just the same, since we do not want to be accused of practising obstruction and making things more difficult for the textile industry.

For a long time, Mr. Speaker, the problem of the textile industry has been drawn to the attention of the House and it is unfortunate that the government has put off for so long taking the steps necessary to its settlement.

I will mention later the representations which were made to the minister and to the government and left pending or considered futile.

If the textile industry is currently in an incredible slump, it is because the government did not assume its responsibilities and showed indifference toward the industry.

My long association with textile workers and the importance of this industry in my riding compel me to speak rather harshly to the government and to my hon. friend, the member for Drummond and minister of Industry, Trade and Commerce. I hope he will not construe my remarks as a personal reproach. I appeal to him in his capacity as Minister of Industry, Trade and Commerce and representative of a constituency where, again, the textile industry plays so important a role.

I do not hesitate, Mr. Speaker, to say that the government has failed in its responsibility, in its duty to the manufacturers, employers and employees of the textile industry. This industry, Mr. Speaker, in the emergency periods we had to face in the past, played a prominent role and, were it not for the superhuman effort made by textile workers during the last war, history would certainly been entirely different with regard to our armed forces overseas.

This industry deserved better attention for its past performance and I now say regretfully to the minister that his government has failed lamentably in its duty.

Mr. Speaker, what the Minister of Labour (Mr. Mackasey) said last Monday will surely generate a certain pessimism in the textile industry as well as among the workers engaged in this industry. For instance, let us read his own words as reported at page 2507 of Hansard:

> It takes a degree of courage for the Minister of Industry, Trade and Commerce to say to the textile industry of Quebec: "If you want to survive you must rationalize your industry. You must accept automation and technical change..."

Mr. Speaker, I cannot but make this comment: the remarks of the Minister of Labour were thoughtless or he was talking about a situation he knows nothing about.

The textile industry has substantially improved its equipment since the last World War. Millions of dollars were spent to bring it up-to-date; it can now boast of the same technological facilities as any other industry.

• (12:30 p.m.)

It is regrettable that the Minister of Labour comes so close to insulting the workers in the textile industry and the manufacturers of textile products by telling them they are dragging their feet and are unable to keep up pace with progress.

Mr. Speaker, the Minister of Labour should have inquired before making such statements.

And as reported at page 2507 of *Hansard* for Monday, January 18, he went on to say:

> "You must let us help you rationalize your industry, even if this puts 50 per cent of the workers in the textile industry out of work temporarily."

Thus, it would seem that at least 50 per cent of the labour force in the textile industry is to be dispensed with.

It is regrettable that such statements are made because they will spread panic among the workers as well as the employers in the textile industry.

I quote further:

> It takes courage sometimes to create unemployment. We have created unemployment in the textile industry and we will probably create it temporarily in other industries as we automate and as we rationalize these industries.

So now, Mr. Speaker, we are entitled to wonder whether, after implementation of this legislation within the textile industry other industries will not have the same fate, whether the government will not be taking them over.

In my opinion, Mr. Speaker, we have evidence that the present government wants to take over all industries, beginning with this one.

That is most unfortunate and I hope that before going further the Minister of Industry, Trade and Commerce will reconsider his plans.

Mr. Speaker, the textile industry is not just any kind of industry, but one which provides thousands of jobs.

The first textile plant was established in Quebec in 1827. Today, this industry is a source of income for

190,000 Canadians, that is 6 per cent of our national labour force.

In the province of Quebec, 55,000 people derive their livelihood from the textile industry.

Mr. Pepin: Textile and clothing.

Mr. Ricard: And clothing, I stand corrected. I should have been more explicit.

Three thousand six hundred manufacturers are engaged in the production of textile and clothing, worth more than $100,800,000. This industry is 80 per cent Canadian. Would it be for this reason alone, it matters that a particular effort be made, so as to preserve this industry, since it is owned, in a ratio of 80 per cent, by Canadians.

This industry spends every year more than $100 million in capital investment.

One sector of this industry, which emerged recently, has showed its ability to meet the requirements of the market, and here I refer to the production of rugs.

In 1959 this sector of industry provided only 1,700 jobs. In 1969 it employed over 5,000 workers.

Sixty per cent of textile manufacturing firms are in the province of Quebec. This means that this industry assumes a primary importance in the economy of the province.

Mr. Speaker, what is the origin of the present difficulties in the textile industry? They are caused almost solely by imports from countries where salaries are substantially lower than in Canada. We have known that for long; the hon. minister recognized it himself only a few months ago when he came before the House to ask us to extend the surtax on shirts. This is why I am convinced that the minister has already on hand all necessary statistics and data so that there is no point in setting up a board to study the difficulties of the textile industry, a move which would only delay further adequate action in this field. Meanwhile, other firms will have to close down and more Canadian workers will lose their jobs. In the end, who will be the losers? All of us Canadians!

Mr. Pepin: Mr. Speaker, may I ask the hon. member to permit me a remark to clarify somewhat this situation?

We do not propose to set up a board of inquiry into the textile industry. The inquiry has already been carried out. The hon. member is perfectly right in saying that we already know everything there is to know about the industry. This Board will study special matters, for instance, cotton yarns so as to recommend the degree of protection essential to the survival of a viable sector—

[*English*]

Mr. Deputy Speaker: Order, please. The hon. member for St. Hyacinthe (Mr. Ricard) has the floor.

[*Translation*]

Mr. Ricard: Mr. Speaker, the minister has just made a remark concerning cotton yarns. It is also a well-known fact that cotton yarns from Japan enter this country at least 10 cents a lb. cheaper than their eventual cost here, on account of lower salaries paid over there. Why then should an inquiry be conducted? Why should a board be instructed to proceed with such an inquiry when we already known that cotton yarns imported from Japan and other cheap labour countries enter the Canadian market at a price with which we cannot compete due to the higher salaries paid to our Canadian workers?

From 1954...

Mr. Boulanger: Mr. Speaker, the hon. member is mistaken, for there is no labour in Japan; all processes are automated.

Mr. Ricard: Mr. Speaker, the member for Mercier can make his speech later if he wants to.

[*English*]

Mr. Deputy Speaker: The hon. member for St. Boniface (Mr. Guay) is rising on a point of order.

Mr. Guay (St. Boniface): Would the hon. member allow a question for clarification?

[*Translation*]

Mr. Ricard: As for questions, Mr. Speaker, I will answer them when I have finished my remarks. I am aware of the tactics of the government members; they are trying to distract me and to make me lose the thread of my ideas.

[*English*]

Mr. Guay (St. Boniface): I rise on a point of order, Mr. Speaker.

Mr. Deputy Speaker: The hon. member for St. Boniface (Mr. Guay) is rising on a point of order.

[*Translation*]

Mr. Guay (St. Boniface): Mr. Speaker, I would like to deal with the fact mentioned by the hon. member a moment ago when he referred to Japan. He spoke about labour. I would like to draw his attention to the fact—

[*English*]

Mr. Deputy Speaker: Order, please. Would the hon. member please resume his seat? I understand that the hon. member for Saint-Hyacinthe would like to complete his remarks, and he has the floor.

[*Translation*]

Mr. Ricard: Mr. Speaker, I listened very attentively and respectfully to the two ministers' statements and I should like the same consideration to be extended to me.

From 1954 to 1967 Mr. Speaker, there was a 146 per cent increase in textile and clothing imports, most of which came from countries where labour is much cheaper than here, like Hong Kong, Japan, Korea and others.

From 1966 to 1968, the textile industry experienced a decrease of about 4,000 in its labour force. If we

endeavour to reduce imports from cheap-labour countries, the result will be 20,000 new jobs.

It seems capital to me, Mr. Speaker, that this government should take the necessary steps not only to preserve but also increase employment in this country.

Again in the imports field, Mr. Speaker, in 1954, Japan exported 2 million pounds of textile products to Canada while in 1967, those exports rose to 37 million pounds.

In 1954, we imported one million pounds of those products from Eastern Europe, while in 1967 those imports rose to 20 million pounds.

Again in 1954, other countries exported to Canada half a million pounds of textile products while in 1967 those imports reached 15 million pounds.

Let us not look further, Mr. Speaker, for the cause of the uneasiness in the textile industry. Excessive imports are detrimental to our workers.

Nylon yarn which sells in Japan at $2.20 a pound is sold here at 80¢ a pound. Is that not enough, Mr. Speaker, to convince the minister of the need to take the measures that would put an end as soon as possible to that situation? I repeat what I have already said, Mr. Speaker: I believe that the establishment of this Board responsible for studying yarns and imports is useless. We will not oppose it, however, in case the government should take this opportunity to blame us for delays that would be prejudicial to labour. We will co-operate as much as possible, and if we could be sure that when the proposal is referred to the committee we would be able to have some amendments accepted, we would most willingly give it our support. But, I believe that our amendments will be dealt with in the same way as amendments submitted by opposition members to other committees. They will simply be ignored.

Mr. Pepin: Not if they are of some value.

• (12:40 p.m.)

Mr. Ricard: Mr. Speaker, this measure comes too late. The government is doing the little it can do now, but it is much too late. He should have done so a long time ago, since in July 1968, the authorities of the textile industry, namely the C.N.T.U., Montreal, the United Textile Workers of America, Montreal, the Textile Workers' Union of America, Don Mills, Ontario, and the Canadian Textile Institute, Montreal, submitted a brief to the government pointing out the causes of the trouble in the textile industry. Indeed, one can read on page 16 of the brief, and I quote:

> The present situation leaves us a choice between two policies, one of which might lead to a constant drop in production, employment, investments and in the standard of living of the communities where industries must compete with low cost products.
>
> On the contrary, the other can assure the viability and expansion of a Canadian textile industry capable of contributing to the economic growth of the country. Obviously, there is nothing comforting in the first of these possibilities, but it should be kept in mind that it could become a reality.

Here are some of the recommendations that were made:

> The policy should:
>
> (a) eliminate any further dislocation of the market as a result of widespread below-average prices, and of the rapid and massive influx of commodities in new sectors of the Canadian market;
>
> (b) prevent any unjustifiable concentration of disruptive imports;
>
> (c) avoid the continuing erosion that results from the fact that, one after the other, new perturbing export sources disrupt other sectors of the existing market;
>
> (d) determine a trend whereby Canada could absorb a fair and reasonable share of the exports of low cost producers,
>
> (e) and, above all, allow the textile and clothing industries more sustained possibilities for more numerous and better paid jobs.

Those, Mr. Speaker, were the recommendations made at that time to the government; they were completely ignored. Other representations were made.

Mr. Speaker, the textile industry has never asked for special treatment; it is not asking for subsides; it seeks merely to continue offering employment to Canadians and making its contribution to the development of the Canadian economy. Although that important sector of our economy has expressed this wish repeatedly, the government has always turned a deaf ear. Indeed, it has always ignored its requests.

In the shirt industry we have proof that the inquiry by a board is not necessary at this time. We have proof that everything is known. The appropriate measures are known also. All the government needs to do now is to apply them.

Textile workers who have lost their jobs, manufacturers of textile goods such as shirts or other clothing who have been forced to close down failed to understand the indifference shown to them by the government.

The government is to be severely condemned in that respect.

Mr. Comeau: And how!

Mr. Ricard: On the occasion of a seminar held on June 14, 1969, the Minister of Industry, Trade and Commerce had this to say:

> In December (1969), I shall have to make a statement in accordance with what I have just promised. I hope it will be favourable and, in any case, if it is not I shall confess publicly at that time that we failed.

Mr. Pepin: Mr. Speaker, I made it in May, with a delay of five months. Is that a crime?

Mr. Ricard: Mr. Speaker, for the Minister, a period of five months is not much, but for the head of a family—

Mr. Pepin: Oh! no—

Mr. Ricard: —who has been unemployed for five months, it is too long—

Mr. Pepin: This is oversimplifying, Mr. Speaker. Obviously, the hon. member was not a minister for very long.

Mr. Ricard: Mr. Speaker, this government cannot make us forget that they did not discharge their responsibilities.

Mr. Pepin: Mr. Speaker, it is clear that the member was not in office as a minister very long. Had he acquired more experience, it would come in handy at this time.

Mr. Ricard: Mr. Speaker, I cannot help but say that the hon. minister is showing his true colors. I prefer not to make any remarks akin to his.

It is tragic indeed to note from statistics that because of this ineffective, unimaginative and irresponsible government, 52 shirt factories had to shut down over recent years.

Mr. Comeau: That is terrible!

Mr. Ricard: Of this number, Mr. Speaker, 46 were located in the province of Quebec.

Are we not right in raising our voices in trying to somehow wake-up the government which is running the affairs of this country and in this period of unemployment which we are now going through to plead the cause of all the unemployed? If we dare do it we are exposed to the kind of ungracious remarks as were directed to me by the Minister a while ago.

Mr. Pepin: The hon. member is touchy today!

Mr. Ricard: I am sure, Mr. Speaker, that I am doing my duty and that I honour my commitments towards my constituents and towards all those workers who are engaged in the textile industry. I ask the Minister and the government to assume their responsibilities, to see that all the victims of the carelessness and the ineffectiveness of our leaders are treated fairly and are provided with employment. Charity is not what they want. They want an opportunity to earn an honest living. But this is a right which the government denies its citizens. This is deplorable and those who are responsible for it can certainly not take pride in it.

Let the government take its responsibilities, let it discharge its duties as promised and give work to those who simply want to earn an honest living.

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, this bill proposes a number of steps to deal with two industries, the textile industry and the clothing industry, both of which have been and are in considerable difficulty. These are both industries which are "labour intense", inasmuch as a large part of the cost of the product is represented by wages paid to the workers who produce the materials or the finished clothing products. These industries are under tremendous pressure from imports from other countries such as Japan, Taiwan and mainland China. Those are countries in which the wage rate is substantially lower than the wage rate for similar work in Canada. There has been, therefore, over a number of years a great dislocation in these industries. There have been tremendous losses to employers. In addition, there has been a loss of jobs and workers in both industries have been paid low wages. We recognize the difficulties the industries face. We recognize the difficulties faced by the workers in those two industries. To the extent that the provisions of the bill, if implemented, will help the industry and the workers, we support this bill which has been proposed by the Minister of Industry, Trade and Commerce (Mr. Pepin).

We recognize, Mr. Speaker, the fact that the traditional methods of coping with the difficulties of the industries have failed and will fail. We do not believe, as was believed by those of former generations and by former governments, Liberal and Conservative, that the solution to the problems of the industry and the problems of the workers in these industries lies in increasing trade barriers, in increasing tariffs and in imposing quotas. Such actions, Mr. Speaker, would not bring solutions for the difficulties of these industries any more than they would bring solutions for the difficulties of any industries.

We recognize, Mr. Speaker, that, since we are selling more and more of our industrial products to countries like Japan, Taiwan and mainland China, we must be prepared to trade with those countries and to purchase goods produced in those countries. We must do that if we are to continue successfully the pursuit of our objective of selling increased quantities of Canadian products, whether they be iron ore, nickel, copper or coal. Already we have been selling increasing quantities of wheat to these countries. As I say, we must be prepared to purchase the goods produced in those countries. We, therefore, support the trading policies which the government has adopted. We support the views of concern which the government is expressing about the plight of the textile and clothing industries of this country, and the plight of the workers in those industries who are being adversely affected by the increased amounts of textiles and clothing products coming into this country. So, in a general way as well as on principle, we support the objectives of this bill.

Nevertheless, Mr. Speaker, we wish to point out to the minister and to the government that the kind of proposal being made by the government cannot operate in a vacuum. The rationalization of the textile industry will be difficult; indeed, I will say that it will be impossible in a period of major unemployment. May I remind the minister that in December, 1970, the last month for which there are figures, 538,000 people were unemployed in Canada. I am certain that when the figures for January are published they will indicate that at least 100,000 more people were unemployed than in December. Forty per cent of the unemployed in Canada are looking for work in the province of Quebec. More than 200,000 were unemployed in Quebec in December, last year. We are talking about two industries, the textile and clothing industries, which are very heavily concentrated in Quebec.

Mr. Knowles (Winnipeg North Centre): One o'clock.

Mr. Deputy Speaker: Order, please. It being one o'clock, I do now leave the chair until two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Orlikow: Mr. Speaker, when the House rose for lunch at one o'clock, I was stating that the minister is proposing to rationalize the textile and clothing industries at a very unfortunate time. In December, 538,000 persons were unemployed, of whom 200,000 are in the province of Quebec. When the figures are released for January, I am certain they will indicate that substantially more than 600,000 are unemployed. I am certain that the unemployment figures for February and March will be in the neighbourhood of 750,000.

Mr. Anderson: On a point of order, Mr. Speaker. I have no wish to interrupt the hon. member's interesting remarks. I am wondering whether we should continue without any representation by the official opposition.

Some hon. Members: Shame.

Mr. Anderson: I understand they are interested in this debate. However, they have yet to appear.

The Acting Speaker (Mr. Richard): Order, please. That is hardly a point of order. We have a quorum in the House. All members are equal.

Mr. Orlikow: These two industries are very heavily concentrated in the province of Quebec. The latest figures which I have been able to obtain with regard to companies which employ 20 or more workers are for September 1970. In September 1970, 66,220 workers were employed in the textile industry of whom 37,253, or 56 per cent, were employed in the province of Quebec. In the clothing industry, 87,559 people were employed, of whom 56,516, or 64.5 per cent were employed in the province of Quebec. Any proposals to rationalize these industries which may lead to dislocation and unemployment, either temporarily or permanently, are extremely important, particularly with regard to the province of Quebec. In view of the heavy unemployment in the province of Quebec, it is not surprising that the government will do all that it can to make this change as orderly as possible.

As I said earlier, we do not think that tariffs, the traditional method of maintaining an industry or quotas which exclude imports, will succeed. We support the general policy of encouraging imports in all fields, as well as the principle of rationalization. We have always taken that view.

Some hon. Members: Hear, hear!

Mr. Hogarth: There he is with all his friends.

Mr. Orlikow: When there is a reduction in employment and a dislocation of industry caused by deliberate policies and plans, we feel that the workers directly and adversely affected should not be expected to carry the brunt of that dislocation. The minister, who was actively engaged in working out the auto pact between Canada and the United States, will recall that was precisely the view we took. While we welcomed the proposal for the pact, we were very critical of the weaknesses of the provisions in that agreement which resulted in workers being laid off, either temporarily or permanently. We took a dim view of the reduction in employment of rail workers. In many cases, these employees were forced out of work or found it necessary to move to another city or province. I was very critical of the government and Air Canada when the overhaul base was moved from Winnipeg to Dorval.

• (2:10 p.m.)

This being the case, I could not help but read with a good deal of satisfaction and approval the proposals made by the Minister of Industry, Trade and Commerce (Mr. Pepin), and particularly the proposals made by the Minister of Labour (Mr. Mackasey), to deal with workers who are laid off or adversely affected by the rationalization of the textile and clothing industries which is to take place. I must say I was a little surprised we should have been given a speech by the Minister of Labour. I do not know why the Minister of Industry, Trade and Commerce or the Minister of Manpower (Mr. Lang), who is much more closely involved with manpower programs, could not have made that speech, except that the Minister of Manpower comes from Saskatchewan and not from Quebec which will be much more seriously affected by what is proposed. If I am wrong, the minister will not hesitate to correct me.

I will put on record what the Minister of Labour said it was proposed to do for textile workers who will be adversely affected. I do so because I want to commend him for what he has done. I quote from the notes of the minister's speech as circularized—the words are not exactly as they will appear in *Hansard*, but I cannot help that. The statement reads:

> First, for all workers, regardless of age, who are in receipt of unemployment insurance benefits and who have a clearly established attachment to the industries, there will be a supplementary benefit which, when added to the benefits available under the unemployment insurance system, will provide for a total benefit, to a maximum of $100 per week, of two-thirds of previous income from employment in the industries.
>
> Second, for workers who are over 54 at the date of lay-off there will be a pre-retirement benefit amounting to 50 per cent of previous earnings payable after the unemployment benefits have been exhausted and, if need be, until age 65 when entitlement to benefit under Canada pension and old age security plans begins.
>
> Initially, the maximum payment under the pre-retirement benefit will be $75 per week.

The minister went on to say that this would be adjusted on the basis of the cost of living.

I want to commend the government for this step. We have been asking for many years that workers or farmers whose income is adversely affected by government policies—policies which may be very worthwhile for the

country as a whole but which have adverse effects on certain people—should not carry the entire burden of the change. So, I commend the government for bringing forward this plan. But I ask the minister in all honesty: is this a special case for the textile industry. If it is, I cannot accept it. If this is a first step in a general policy of assisting workers or farmers who are required to make major changes in their lives as a result of government action, that is another matter.

In the last few years, and I am not thinking of 40 or 50 years ago, a number of changes have taken place. I have not seen in those cases the kind of generous, far-sighted treatment proposed by the government for the textile workers. For example, there is the situation in the boot and shoe industry, an industry which is not of much direct concern in my own constituency, but the boot and shoe industry, like the textile and clothing industry, has been put through the wringer in recent years as a result of heavy imports from abroad. Companies have closed down and workers have lost their jobs. Have boot and shoe workers benefitted from the kind of treatment now proposed for the textile workers? If they did, I have not heard about it.

As we know, the coal mines of Cape Breton Island and Nova Scotia are being phased out. I realize that for years the production of coal was subsidized very heavily, too heavily, probably, if the industry was to be brought into real shape. Then, the government decided that the industry had to be rationalized, and I agree that this was the proper course. As a result of rationalization a large number of coal miners have lost their jobs or will lose their jobs. I am not expert on this subject, as are hon. members from Cape Breton, but I have seen some of the cheques amounting to a dollar or two for a week, for a two-week period, which coal miners have received. The minister looks at me in disbelief, but one of the hon. members from Cape Breton has shown me a photostat of one of these cheques for 80 cents. This is the kind of treatment the coal miners of Cape Breton receive.

Consider the case of railway employees. Not a week goes by when one of the railway companies does not announce another closing of a line or the discontinuance of a passenger train or the removal of a dining-car service. All these changes have one result, a reduction in the staff of the railways. I think I have as many railway workers living in my constituency as any Member of Parliament in Canada, but I have not heard that the kind of proposals put forward today applied to railway workers also. I know there is a fund to compensate workers who are laid off by the railway companies as a result of technological change, but that fund has been built up by the workers' own contributions; they could have taken this money in wage increases had they not been so concerned about the effect of technological change on their opportunities to work. There has been no evidence of this kind of generous and far-sighted approach to the problems of unemployed railway workers.

Take the case of the workers who were affected by the decision of Air Canada to phase out the maintenance base in Winnipeg, which at one time employed several thousand workers, and to transfer this operation to Dorval. It is true the employees, particularly those who had worked for Air Canada for years, were given an opportunity, based on their seniority, to transfer to Dorval. I think that is proper. But there were many employees working in Winnipeg who were over 54 years of age and who had lived in Winnipeg all their lives. They were required to move to Dorval or lose their jobs. I do not recall that the Government of Canada or Air Canada said to these workers: You only have five, six or seven years of employment left before you have to retire, so we shall offer you the opportunity of early retirement on a generous pension to which the Government of Canada or Air Canada will contribute to enable you to remain in Winnipeg where you have lived all your life, where you own your own home, where your friends and interests are, and where you are looking forward to retirement. We did not see this attitude towards the workers of Air Canada, those in the boot and shoe industry of Ontario or the coal miners of Nova Scotia. Neither did we see it extended to the railway workers, no matter in which part of Canada they worked.

• (2:20 p.m.)

So, while I support the principle of this bill and commend the government for its very humane approach to textile workers, mainly in the province of Quebec but also in Ontario, who will be laid off as the result of the government's policy of encouraging the rationalization of this industry, at the same time I think that what is good for these workers is just as good and correct for workers in other industries in Canada.

I hope I am wrong, and that this bill is not just a political ploy for the benefit of Quebec. I hope it is just the first step in a policy that will be expanded into industries in other parts of Canada, so that workers displaced by technological change or by changes in government trade and tariff policy will not have to bear the entire brunt by becoming unemployed and suffering loss of income but will be given the same kind of quite generous and far-sighted supplementary unemployment insurance benefits and early retirement plans of the type proposed in this bill.

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, Bill C-215, entitled Textile and Clothing Board Act, has great importance in the light of the situation prevailing in Canada.

I have another reason for taking a special interest in the bill, which is that over 1,000 voters in my district derive their livelihood directly or indirectly from the textile industry.

I am therefore very happy that the Minister of Industry, Trade and Commerce (Mr. Pepin) has introduced this legislation which will, I am convinced, be profitable not only to industry owners but also to workers.

On the other hand, experience has demonstrated that boards have never succeeded in solving all the problems put before them. In some cases, they have, it is true, been

successful in locating the problems. They have also rendered great services, and doubtless the Textile and Clothing Board will help to solve some of the problems of that industry.

But let us not believe all problems will be solved by setting up the Board. Otherwise, it would be too easy to solve problems overnight. Some problems are very complex and require not only technical knowledge but also the co-operation of all interested parties. I hope the minister will get the co-operation of all the parties concerned, the industry and the unions.

The people concerned as well as the Department of Industry, Trade and Commerce are already aware of the problems with which the Textile and Clothing Board must first come to grips, because serious studies have been made these past few years by people interested in the textile industry, including unions, management associations ad various services of the Industry, Trade and Commerce Department.

As a result of these studies, briefs were submitted on a number of occasions to the Prime Minister (Mr. Trudeau) and to the Minister of Industry, Trade and Commerce in order to request various types of government intervention. The briefs contained full details on the performance of the Canadian textile industry, the problems it had to cope with and the future outlook.

Mr. Speaker, I have no intention of repeating all the statistics contained in these briefs in order to convince the minister how imperative it is that decisions be taken to help an industrial sector which is vital to Canada and particularly to Quebec. I think the minister knows all the details and that he is showing the textile industry his good intentions by introducing Bill C-215.

On the other hand, one should not triumph too fast. To my knowledge, for three years now, we have been making pressures on the government in the House and asking the minister to do something before it is too late.

As for myself, I think the government was slow in making decisions and there are others who feel the same way. The management-labour committee of the Canadian textile industry has already expressed its impatience at the slowness of the government to state its textile policy. The establishment of the Textile and Clothing Board is a step ahead, towards taking stands that I hope, will help to solve at least part of the problems.

In Canada, we have at the present time, some 200,00 workers in the textile industry, almost 60 per cent of them in Quebec. The decisions taken will therefore have a great importance for those workers directly dependent on the above-mentioned industry.

I would also like to point out that the textile industry buys considerable equipment and services from other industries, which means that a great number of workers in other industrial sectors are indirectly dependent on the Canadian textile industry.

This leads us to believe that the Board established under Bill C-215 will be permanent. In this connection, I urge to the minister to see to it that the Canadian textile policy is not developed solely by a Board. I can understand that the Board may make recommendations and appreciate the situation, but the reason for the existence of that Board is, in my opinion, to apply the policy that the government will develop for the textile industry.

Many times in the past the textile industry has experienced difficulties and if we were to eliminate all the industries that have had difficulties at one time or another I wonder how many would be left in Canada. For this reason, I can easily believe that the Board, through its advice, will be able to assist industrial concerns.

I also suppose that the Department of Industry, Trade and Commerce will continue to help, through its Textiles Divison, so that the Board's decisions do not turn out to be administrative ones only, because further amendments to our textiles policy will be needed from time to time due to the changes that occur and that bring about or will bring about temporary or permanent difficulties for certain sectors of the textile industry.

• (2:30 p.m.)

One of the first tasks of the Board will be to make recommendations concerning the measures to be adopted in order to protect the producers of textile products and clothing against the competition of imports from countries where production costs are low or where export subsidies are provided for textile products.

In the past, we have tried to cut down imports by charging customs duties with a view to increasing the cost of imported goods. Later, exporting countries were asked to adopt quotas, in order to limit their own exports to Canada. All these measures proved inadequate and total imports increased steadily, so that not only Canada, but even the United States, were obliged to pass stringent measures to protect their own textile industries. This is to say that the textile problem is not particular to Canada, and that the measures we used to take are no longer effective. It is therefore necessary to provide for other measures relevant to the present situation. Owing to the constant increase of imports in the last decade, our textile industry's share of the domestic market has declined to 58 per cent during June, 1970. Such is, briefly, the situation.

Among the means available to the government to stem imports from low cost countries, there is the voluntary restrictions system negotiated by the two parties concerned. Now, the normal voluntary restrictions that Canada has always favoured in respect of normal imports have always turned out to be inadequate with regard to abnormal imports. As long as we were dealing with the old prewar commercial structures, traditional measures proved efficient enough. Customs duties being more or less normal, the customs administration having at its disposal basic means of action, it was generally possible to maintain within reasonable limits international competitiveness as far as textiles were concerned, without having to resort to exceptional measures. There were however, a few weak points where customs duties were shown to be inadequate requiring the intervention of

other measures, such as the application of fixed values on imports coming from some countries.

As we have seen, the situation has completely changed following the tremendous amount of imports coming from much more numerous sources at prices against which any normal trade policy is powerless.

It is obvious today that the survival of some industries, in Canada or elsewhere, requires more than normal protection. Some have disappeared already and others will follow if the necessary decisions are not taken with determination.

In 1957, when it was found that measures were required to counteract the disruption of markets through abnormal imports, the quota system was adopted. Afterwards, on occasion, we had to resort to temporary embargoes, since the Canadian market for various products had become chaotic.

The available remedies took a new dimension when the long-term agreement on cotton textiles was adopted in 1961. This was largely a novel policy in the international textile trade, since it provided the signatories with the framework inside which they could make use of their respective quotas. For the various countries, it meant agreeing to controlled marketing, as well as to corrective measures in cases of disruption of the markets, restraints in the quantity of textile products put on the world markets and the need to eliminate any excessive concentration of some particular goods.

This agreement provided for an agreed increase in exports from low-cost countries, as well as wider access to strongly protected import markets.

For Canada, the result of all this was effective confirmation of the already deep penetration of its market.

In this regard, however, the agreement gave Canada the right to set values and to refuse to accept automatic quota increases, a privilege which has been seldom used.

This is to say that when such agreements are made in the future, we must set up the appropriate control system so that we can immediately determine whether the countries signatories to the Agreement are not breaking that very agreement.

Among the other solutions which could be contemplated is the application of quotas on total imports. To enforce this measure we would have to deliver import permits so as to be able to set the amount of products that a dealer will be allowed to import into Canada.

Doubtless this measure is drastic but if it is the only way to improve the situation we shall have to use it. Moreover, I suggest that under the current circumstances we have no choice if we want to prevent an even more disastrous situation and complete dislocation of the Canadian textile industry. We must therefore use all means available so that the Canadian textile industry may be assured of a higher percentage, which could be approximately 70 per cent, of our domestic market so that this industry may plan its production and make it profitable.

[Mr. Rodrigue.]

I am confident that the Textile and Clothing Board, in co-operation with the workers and the management associations, will find other solutions advantageous to all sectors of the Canadian textile industry.

By improving matters for the textile industry we will meet two goals at the same time. We will keep many Canadians working and we will at the same time create many new jobs.

In an article which appeared in the 42nd annual report of the Canadian textile industry, Messrs. MacPherson and Amery, respectively economist and assistant economist with Du Pont of Canada, state that the textile industry could provide Quebec, directly or indirectly, with 20 per cent of the new jobs which are presently needed in that province.

• (2:40 p.m.)

Employment opportunities, however, will depend on the availability of markets. For the next five years, the most important task facing Canada will be to provide employment opportunities for the young people who will come up on the employment market.

We must also recognize the limited amount of capital available in Canada for investment. The fulfilment of our national objectives, namely full employment and a rising standard of living, requires that approximately $20 billion be invested by 1975.

Yet, in recent years, investments were running at a pace of $10 billion a year. Our national economic policy should thus be such as to assist industries whose production could replace those products which are presently imported.

The Canadian textile industry has everything it needs to take an important share in Canada's economic growth and political stability. Contrary to the general opinion, the textile product market is one of the Canadian industrial fields showing the most rapid development and the growth of its productivity has been far greater than the national average.

Moreover, the textile industry does not require such tremendous outlays as other industrial segments. It therefore needs limited capital, which is one of the rarest advantages in Canada.

The part that is to be played by the textile industry in Canada's political stability, especially in Quebec, can not be underestimated. In 1969, that industry provided employment to nearly 200,000 people, namely 11 per cent of the labour force in the manufacturing field.

Given the best conditions of economic growth and autonomy, the textile product industry could have 280,000 employees around 1975, namely an average yearly increase of 5.5 per cent or about 13,000 people.

However, should the present tendency continue, the industry will need only 225,000 people and under adverse conditions, its total labour force, which is now set at about 197,000 could decrease by 6,000 employees before 1975.

The province of Quebec has especially important interests here since 60 per cent of the jobs provided by the textile industry are found in that province. There thus exists, between the industry's maximum and minimum needs in Quebec, a margin of 53,000 jobs indirectly created by the textile industry. Those figures represent about 20 per cent of the new employment opportunities in the province during the next five years.

In 1969, the textile industry in Quebec came fourth as to the value of its shipments, which amounted to $650 million. Most of the plants are located in the Eastern Townships and in rural areas where it would be difficult to create new jobs immediately, or a relatively short time, should we have to deplore further lay-offs.

I trust, Mr. Speaker, that the bill before us will notably improve the conditions prevailing in the Canadian textile industry.

This bill, like all the others, is not perfect of course, because there is no such thing as perfection. We shall have to be careful and provide for the corrections required from time to time, because nothing is permanent. We must always strive to improve our living conditions and the laws of our country.

In the past, the government has been timid in its interventions and each delay in intervening caused the situation to become worse. So I hope that the Minister of Industry, Trade and Commerce will show more firmness in the future and I also take this opportunity to urge him to introduce a similar measure to deal with the situation which now prevails in the shoe industry in Canada.

[*English*]

The Acting Speaker (Mr. Richard): The hon. member for South Western Nova (Mr. Comeau).

[*Translation*]

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, we have been looking forward to Bill C-215 for a very long time. Textile products manufacturers have long been expecting the government to pass legislation that would help them out.

I am personally interested in this bill because in my constituency there is a textile manufacture providing employment for approximately 600 people and apparently, it is the largest in the area.

The Minister of Industry, Trade and Commerce (Mr. Pepin) last night delivered a lecture rather than a speech on the textile industry. We had the impression that he was speaking before university students, but nevertheless he explained to us what has occurred in the textile industry. He mentioned that Canada took part in a fair in Germany in 1970 and that it helped open a market of some $10 million for our Canadian production.

Also, he referred to our exports to the United States, to our participation in *Fashion Canada,* but I simply cannot understand how a minister can come before the House and say that everything is rosy in this industry, when he knows—

An hon. Member: Everything is in the red!

Mr. Comeau: —maybe, when he knows full well that this industry has and will have problems in the future.

I hope this bill, to which I do not object, will solve those problems and place the textile industry on a sound footing.

Last week, the Ministers of Labour and Finance (Messrs. Mackasey and Benson) also said that everything was rosy when they discussed unemployment. Cabinet members are wont to talk this way and take such a position.

Mr. Prud'homme: They are optimistic.

Mr. Comeau: This is all very well, but one must be realistic also. It is true that Canadian products are better than imports, and textile manufacturers must be commended.

The Minister of Industry, Trade and Commerce referred to the consultations he had with representatives of other countries, and he said that he did not want to take a stand unilaterally.

[*English*]

The minister boasted about the fact that Canada is the first country to provide protection from injury. Well, it should provide protection from injury in this particular industry because Canada is being gypped. The people in this whole industry should be protected because they are being gypped. This is the only country which has to protect its markets because it is the only country which is really being gypped. The minister warned members, and he was referring particularly to members of the opposition, not to feel that this bill was too protectionist. Who in this instance is opposed to protection for our own industry and its products? I suggest the minister was not warning the members of the opposition, but rather was warning some of his cabinet colleagues because he knows very well he had to fight with his colleagues on this measure. He knows that for two and a half years he tried to bring forward such legislation but was unable to do so because the Minister of Manpower and Immigration (Mr. Lang), the Minister of Supply and Services (Mr. Richardson) and others opposed him. I am not afraid of protectionism but some of his colleagues are. I want this Canadian industry and its products to be protected. In the two and a half years I have been here, we have urged the minister to take action. The hon. member for Calgary South (Mr. Mahoney) mumbled something, but I did not hear his remark. The minister, a great university man, gave us a course on textiles.

• (2:50 p.m.)

Mr. Pepin: A much needed one.

Mr. Comeau: He has had previous occasions to refer to textiles.

An hon. Member: What about the hon. member in the red shirt?

Mr. Comeau: The hon. member for Calgary South is not concerned about textiles. The Minister of Labour (Mr. Mackasey) said that even if the government has to close plants, that is progress. What an attitude! The minister stated in the budget debate not too long ago, and the hon. member for Saint-Hyacinthe (Mr. Ricard) referred to it, that great rationalization and progress must be made in the industry. He stated that even if there had to be lay-offs, that would be progress.

Mr. Pepin: I did not speak in the budget debate.

Mr. Comeau: They are very courageous. They talk about the best interests of the workers. This morning, the minister explained what Clause 21 was all about, and I am glad he did. Clause 21 deals with benefits accorded to the workers after they have lost their employment at the age of 54. The minister said that provision is made for the necessary funds for this type of program in the supplementary estimates of the Department of Labour for 1970-71. Therefore, the government expects immediate lay-offs in the textile industry.

I cannot understand the attitude of the government towards the textile industry. The minister knows quite well that lack of planning by the government will result in the textile workers being laid off at the age of 54 and which will necessitate them being compensated by receiving two thirds of their salary. I am not opposed to that. We have to provide them with some form of living allowance. It is the government that is responsible and has to make up for the effects of its policy. If the proper policies had been adopted in respect of the textile industry, the retirement of workers at the age of 54 would not have been necessary. What kind of an attitude is it to retire a man at the age of 54? The Minister of Industry, Trade and Commerce (Mr. Pepin) says that this is progress, and the Minister of Labour agrees.

Mr. McCleave: Insensitive technocrats, both of them.

Mr. Comeau: The minister explained how the clause would be applied and he elaborated on the whole project. He outlined some of the conditions that a textile worker had to meet to benefit from this provision. Hon. members can read what the Minister of Labour had to say about it. The following is what the minister said in the last but one paragraph of his statement:

> In my view, the pre-retirement plan, in particular, is a unique and significant social innovation, tailored to the specific problems in the textile and clothing industries. It will help greatly to meet the problems faced by displaced older workers in a manner consistent with the preservation of individual pride and dignity.

Is retiring a man at the age of 54 consistent with the preservation of his pride and dignity? The government is very proud of the fact that they can retire a man at the age of 54. This plan seems similar to one often referred to by the hon. member for Cape Breton-East Richmond (Mr. MacInnis), namely, the Devco plan, under which miners were taken off the production line and paid compensation. I have seen a cheque amounting to eight cents which represented the amount of compensation the Crown Corporation paid to a miner for one week. I hope the same thing will not occur under this program. If it does, the minister will hear from us again.

Under this program, the government admits its failure to deal with our economic problems and particularly with the textile industry in Canada. These pre-retirement benefits amount to two thirds of previous earnings. I do not believe the workers want to retire early, and if there had been proper planning for the textile industry we would not be faced with this situation today. Where are we going? These ministers are proud of the fact that they are retiring people early. The Minister of Transport (Mr. Jamieson), in a speech he gave in Newfoundland not too long ago—and some hon. members from that province can correct me if I am wrong—asked "what is so great about people working?" The government has taken this attitude because they realize they cannot do a darn thing about unemployment. They are not interested in providing jobs.

The Minister of Industry, Trade and Commerce spoke about efficiency and modernization. The minister is not a naïve man. He is bright and he smiles all the time. He is optimistic, but somehow he is not sufficiently persuasive to be able to convince the Prime Minister (Mr. Trudeau) and his colleagues to do something. This is where he fails. They do not have a plan. He might have one, but he cannot convince them to adopt it. They say they are doing great things for the workers, but they do not care about unemployment. The minister spoke about efficiency and modernization, although he knows very well that the textile industry in Canada is very modern and efficient. In fact, he stated so himself. I can quote his words as reported in the *Globe and Mail* of October 16, 1970 as follows:

> Said Mr. Pepin: "Contrary to opinions sometimes expressed, these industries are as efficient technologically as those of any other country, including the low cost producers."

Time and time again, the minister stressed that the Canadian textile industry is modern, efficient and rationalized. Yet, he is establishing a board to look into these matters. He referred to this aspect again last night. He pointed to an hon. member who was wearing a white shirt and indicated that all the others were wearing coloured shirts. He said these coloured shirts were a Canadian innovation. Canadian textile producers have been great innovators. It is my belief that other countries have copied what the Canadians have done and we are now importing these copied products into Canada. We should penalize these other countries for exporting these products which the Canadian industry has developed by limiting the importation of them. The government knows very well that the problem does not lie in lack of efficiency, but in allowing too great a quantity of imports.

• (3:00 p.m.)

The minister has given us statistics, but he knows very well that imports are now running at something like 65 per cent, which means that the Canadian textile industry is not supplying more than 35 per cent of the Canadian market. That is why we have this problem. I am not saying that we should ban all imports, but a reasonable

advantage must be given to Canadian industry. Canada imports three times as many textile products as do the Americans, and twice as many as the British. This was the case from 1954 to 1967 and the situation has worsened since then. From 1954 to 1967 there was a 146 per cent increase in the amount of textiles and clothing imported into Canada.

The United States, Mr. Speaker, has decided to set quotas on textiles imported from Japan, but we have not; we have allowed matters to drag along; we have been the nice guys, and even where we did set quotas we told exporting countries, "If you exceed your quota we will not hurt you." The consequences of this massive importation are dislocation of production programs, restriction in the development of certain lines, costly diversification of production, abandonment of a number of lines and dislocation of the labour force in the Canadian textile industry. From 1966 to 1968 the Canadian textile labour force decreased by 4,000, and the situation has become worse since then. What can be done, Mr. Speaker? There are a number of solutions. The most effective one would be to limit importations. Quotas should be set and adhered to. If we set quotas for a particular country, we should not allow it to exceed those quotas. On the other hand, we could favour the synthetic sector in respect of which demand and production are increasing.

Is enough research being carried out in this field? The science report, although not dealing specifically with the textile field, clearly indicates that Canada has a below average industrial research and development output. Perhaps we could specialize our trade to lines in which we can compete. It is felt that action has to be taken by the Canadian government since the U.S. example shows the difficulties involved in trying to find bilateral solutions. A target could be set stipulating that 70 per cent of the Canadian market must be supplied by Canadian manufacturers, with the other 30 per cent being supplied by imports.

The solutions proposed by the federal government were announced on May 14, 1970, in the minister's statement on motions, to which I replied. They include nationalization of textile tariffs, improved methods of investigating dumped or subsidized textile imports, amendments to the Customs Act and the Statistics Act, creation of a textile review board, financial support for industries wanting to improve, increased or diversified production, financial assistance for affected workers, technical and promotional support through development and productivity centres, and a fashion design assistance program.

Bill C-215 which we are discussing, which is to establish a textile and clothing board and to make certain amendments to other acts, deals with some of the solutions proposed on May 14. I hope it works; I hope it will be effective. The bill will create the board, it indicates how it will work; it will provide for assistance to workers; it will amend the Export and Import Permits Act to control imports, and it will amend the Customs Act. The proposed board will look into the importation of textiles and clothing goods to determine if importation is threatening production in Canada. The board will either receive complaints from Canadian producers or open an inquiry on its own initiative. Mr. Speaker, I am not opposed to the creation of the board, but I point out that it will simply make recommendations to the minister and then the governor in council will decide to restrain, and to what extent, the importation of one or a number of textile products.

The board may do other things. It may ask or receive from a producer of textiles a plan indicating how he intends to improve, change or modify his production in order to meet international competition. My comment is that the minister has stated many times that the problem is not efficiency; some of our plants are as modern as can be. If they are already modern, how can we improve them? We know where the problem lies. There is no need for the government to talk for the hundredth time to the textile industry in order to come up with recommendations. The minister and the government know where the problems are.

I have talked about what will happen once the lay-offs occur. The shame of it is that the government recognizes that lay-offs will occur, and so far as I am concerned the government wants them to occur. At present we do not know how the proposed program will work or what amount of money will be necessary to finance it. According to what the Minister of Labour (Mr. Mackasey) said today, this will be worked out in regulations which have not yet been promulgated.

If we consider the way workers are protected under the automotive agreement, we can see it is far ahead of what is provided for textile workers. I have here a copy of the transitional assistance benefit regulations covering automotive workers, but we do not know what the regulations will be for textile workers. Before we know what regulations the Minister of Labour will adopt, it is difficult to say if the program will be of any use. We must also remember that textile manufacturers are located in low employment regions and we do not know what measures will be undertaken to create other jobs.

Evidently, all this is consistent with the policy of the government to recognize that lay-offs and unemployment must occur because of changes in the textile industry. This is due to lack of planning. No decisions with regard to the textile industry must be taken before the board has determined for what period of time, and in what groups, lay-offs will occur. Textile workers are a group of specialists and cannot easily adapt to a new occupation in another field. If the government is of the opinion that there is no future for our textile industry, let it say so; let us not pussy-foot around. Canada could well specialize its production in another field, such as synthetics, and completely abandon wool and cotton production. Maybe this is what we should be doing. If it is, the government should say so.

Some people argue that the board is not necessary. The Importers' Association of Canada is against it, and for obvious reasons. Others consider that it is not necessary because we already know what the situation is. We have all the necessary statistics from the DBS and other groups in order to make the right decision on the importation of textiles, without the establishment of this board. Before the board makes recommendations, the concerned

producers may have had to close their shops, although the bill provides for interim recommendations to the minister if the board feels the situation is at a critical stage.

• (3:10 p.m.)

My main point is that the bill establishing this board should have been introduced years ago. I am not opposed to it, but it should have been brought forward about five years ago. We are five years too late in bringing forward the bill. We now know the problems. I will follow the progress of the bill more actively in the committee. I urge the government finally to do something to help the textile industry. Let us not have this pussy-footing around, this business of going back to the textile industry and trying to find out exactly what they want. We know what they want so let us make specific recommendations. My criticism of this bill is that it has come five years too late and that a forward-looking government should have introduced it earlier.

[*Translation*]

Mr. Arthur Portelance (Gamelin): Mr. Speaker, in October last, at the opening of the third session, one of the 68 bills put on the order paper was entitled: "Bill respecting textiles". What the Minister of Industry, Trade and Commerce (Mr. Pepin) did recently, which is now taking form, is certainly going to help one of the most important industries in Canada, one which creates a great many jobs and assuredly deserves a better protection in many fields.

The hon. member for Saint-Hyacinthe (Mr. Ricard) charged the Minister of Industry, Trade and Commerce of having taken far too much time in bringing in such legislation. He even went so far as to say that nothing had been done since 1968.

Already back in 1968 or at the beginning of 1969, the hon. Minister of Industry, Trade and Commerce announced the establishment of a special committee which was to study the textile problems. The members of this committee had to meet several persons interested, that is union and management representatives, in short, all those who are more or less concerned with textiles. Moreover, the manufacturers were complaining about the number of shirts entering the country and apparently according to statistics, quotas were being largely exceeded. I shall come back later on this matter.

As the hon. member for Saint-Hyacinthe (Mr. Ricard) gave us various figures, I shall take this opportunity to say that some 190,000 people are presently working in the textile industry. In Quebec, several factories—

[*English*]

Mr. Speaker: Order, please. I regret that I must interrupt the talk-fest to my right. It is very difficult to follow the remarks of the hon. member who has the floor.

Mr. McCleave: The insensitive technocrats are doing it.

Mr. Knowles (Winnipeg North Centre): They are not usually here on Friday afternoon.

[Mr. Comeau.]

[*Translation*]

Mr. Portelance: Mr. Speaker, I intend to be brief.

Naturally, such concerns are efficiently administered by directors who have succeeded in making the adjustments required to face strong competition, and who have endeavoured to sell their products in all commercial centres of Canada and other countries.

As the minister stated last night, in the field of men's clothing, sales to the United States have increased, but the duties on such goods are less than on shirts exported to the same country.

Statistics for 1966 show that Canada was allowed to import goods up to a value of $19.32 per capita. In the United Kingdom, the figure was $10.89 and in the United States, $6.07. This proves that three times more textile products and clothing were imported from other countries than from the United States, and even that the United States rate of imports was much lower than ours. Last year, the Mills Bill was proposed in the United States. This bill aimed at restricting imports through the strict enforcement of a global system of quotas. The American importers associations have stated that the application of quotas, without proof of prejudice, is completely contrary to everything that the American trade policy stood for in the past.

I feel that this bill is not as stringent and that it will be more favourably received than the one proposed in the United States. Just as some Canadian associations, Canadian importers seemed to fear it and were opposed to the passing of such a law here. Last Thursday, the Minister of Industry, Trade and Commerce (Mr. Pepin) met with them in Montreal and was able to further inform them. In this respect, one newspaper reported the following:

> As regards the textile and clothing industry, Mr. Pepin has made it clear that the legislation introduced in the House last week and aimed at establishing a Textile and Clothing Board is unique in the entire trade community of the free world. He added, as pointed out moreover by the *Wall Street Journal*, that this step could very well serve as an example to others, in order to improve the situation as a whole in the world textile trade.

Therefore, as far as the Canadian industry is concerned, something new has at least been created and the companies as well as those interested in the textile industry will certainly be asked to be also creative in their respective field.

Canadian primary textile plants employed 54,300 workers in Quebec, 37,300 in Ontario and 2,400 in the Western provinces—in 122 plants—and 1,100 workers in the Maritime provinces.

• (3:20 p.m.)

Approximately 102,000 persons were employed in the manufacture of clothing and related products and thus, since concentration is in Quebec and in Montreal, there were 62,000 persons there employed in 1,540 plants. In Ontario, there were 24,000 workers employed in this industry and in the Western provinces 11,000. In the Atlantic provinces, the figure was 500. As I believe other speakers have mentioned and technologically Canada's

textile industry is among the most advanced in the world, the minister is well aware of the fact. Over $500 million were invested within the past decade in this industry, and I truly feel that those interested in investing are not demanding a 100 per cent take-over of the Canadian market either. I think it is logical to let those people know what percentage of the market the industry can anticipate, of course, provided, it meets all the prevailing market conditions and is as competitive as possible.

There has been a serious drop in employment and revenue in the last few years, following the decline of business, for the benefit of imports from low-cost countries. Now and then, manufactures have closed for one or two weeks; the number of working days were reduced; work shifts disappeared; others have often worked fewer hours in several sectors of the industry. From 1966 to 1968, the total number of lost jobs reached 4,000.

According to the Canadian Textiles Institute, if textile products from low-cost countries had been manufactured in Canada in 1967, the industry would have employed 20,000 people and thousands of others in the clothing industry.

According to a report I received, the shirt industry in Quebec employed 6,008 workers in Quebec in 1965 and only 4,052 in 1969. The fewer number of jobs in the shirt industry is directly related to the drop in the Canadian production. Since 1965, 42 shirt companies had to close down in Quebec and seven in Ontario.

As to the reasons given for the stagnation of the shirt industry, they can be summed up by quoting the report of shirt companies:

[*English*]

The year 1965 was the peak year for domestic production, however between 1965 and 1969 domestic production declined 10%, feeling the impact of imports. In this same four year period imports went up 58%.

Imports from 1966-1969 totalled 4,484,100 dozen compared to 2,599,400 for the previous years (1962-1965). This is an increase of over 72.5%. By the same token domestic production for 1966-1969 totalled 8,030,200 dozen compared to 7,946,300 dozen from the period 1962-1965 for an increase of 95,900 dozen or 1.2%. In other words, in the most recent four year period for which we have complete statistics compared to the four year period preceding it, imports increased 72.5% and domestic production only increased 1.2%.

The increase in imports during this last four year period of 1,884,700 dozen shirts or an average of 471,175 dozen per year could have meant more than 1,300 direct labour jobs to the domestic industry per year, 60% of which would have been in the province of Quebec. In addition, many more indirect jobs would have been created in supply trades because of the multiplier effect of at least two to one.

[*Translation*]

With such figures, Mr. Speaker, I quite understand that the government should be seeking new jobs. We want to create new employment, in every field; indeed, in one province, attempts are being made to create 100,000 new jobs. The potential exists, since there are several jobs already. They need not be created, but they certainly need to be protected to enable us to compete in all fairness with the countries from which we import.

The question of the wages paid in the textile industry has cropped up repeatedly. It is interesting to consult the statistics on the hourly wages paid in the shirt industry in some countries. In Hong Kong, the going wage is 22 cents per hour, in Japan, 58 cents, in Singapore, 19 cents; in South Korea, 15 cents and in Taiwan, 20 cents.

Under the latest contracts signed by Quebec shirt manufacturers, there are zones 1 and 2. Zone No. 1 comprises greater Montreal and a territory which is 10 miles wide, and zone No. 2 includes the rest of the province. There is a salary differential of approximately 10 per cent only between the two zones, and we note that the average salary is at least $2 an hour. It is therefore very difficult for Canadian manufacturers to produce at such a low price what can be imported from countries where cost is much lower than here.

We know that import quotas are not as widespread in Canada as in some of our trading partners. Thus, Japan whose economy is the fastest growing and which is one of our partners, still enforces in 1970, 118 import quotas, despite low salaries.

The Canadian newspaper *Financial Times* of December 15, 1969 reported that Japan is slowly proceeding to remove its tremendous barriers against imports and foreign investments. But Canadian exports and investments are still facing various problems on the Japanese market. By liberalizing its trade, Japan is slowly opening new markets to foreign competitors.

In the next two years, the government intends to abolish 55 of the 118 import restrictions and quotas which are in force at present and can be considered as so many violations of the GATT regulations.

It would be very useful to obtain better statistics on imports.

In the shirt department, there are problems. Some countries have largely exceeded their established quotas and, in the past, this was always discovered too late. With this new legislation, the Board will be in a position to check the facts much more readily and get things going.

Mr. Speaker, clause 21 of Bill C-215 has been referred to. The hon. member for Saint-Hyacinthe seemed most pessimistic when he suggested that 50 per cent of the workers might be fired or replaced. My own attitude is much more optimistic, because from now on all the companies which have managed to stay in this industry in spite of the difficulties that now prevail, will benefit from this piece of legislation. It should not be prejudicial to them. On the contrary, it should provide for the creation of many new jobs.

Of course, among those companies where skills and technology are firmly established, marketing will certainly solve the problems now confronting the Canadian textile industry.

Mr. Speaker, one has to be realistic and realize that these improvements alone will not enable the industry to cope with competition from textile imports from low-wage countries. The Canadian textile industry must do all it can to improve the present situation but it is not yet in a position to prevent this situation from getting worse on account of increased and unfair competition

from countries where people work in conditions and for salaries which would be illegal in Canada.

I take this opportunity to commend the Minister of Industry, Trade and Commerce (Mr. Pepin) for introducing Bill C-215 and I sincerely believe that this unique initiative will remedy many existing problems.

• (3:30 p.m.)

[*English*]

Mr. Robert McCleave (Halifax-East Hants): I would not ordinarily have entered the debate, Mr. Speaker, but on January 20 the Minister of Industry, Trade and Commerce (Mr. Pepin) spoke to the Canadian Importers' Association in Montreal, and speaking to that august body he said:

> What is needed is knowledge, judgment, wise reconciliation of conflicting interests, proper balance of advantages, the play of competition, consideration for economic, social, political, even ethnic, national, regional, professional factors.

Having delivered himself of that mouthful, the minister will, I know, need a great deal of help. He will not get it from his side of the House, so perhaps some of us on this side should offer it to him. I shall be putting forward an argument for a great deal of flexibility in the program the minister has offered. While some of the points he has made appeal to me a great deal, others do not.

I am worried about the implications of technocracy and bureaucracy in this bill. I am also worried lest at a time when we are facing tremendous economic problems, we may not be setting up machinery responsive enough to meet the demand. So I shall be putting in a pitch for a little company which does not even belong to the riding of Halifax-East Hants; it exists in the riding of my hon. friend the Leader of the Opposition (Mr. Stanfield) in Halifax. But it is a plant which is very close to my own home. It employs a few people and it could employ a few more. I refer to Maritime Canvas Converters and Upholstering Limited.

Ordinarily, I would take up a subject like this in committee when the bill goes there for consideration. However, the trouble with that approach is that you can be a statesman there, but nobody knows you have either raised the problem or that there is one to be raised, whereas I would hope that *Hansard* for yesterday and today would at least have some circulation and would be almost required reading for anyone who has an interest in the textile industry in Canada. Other speakers, including the minister, have mentioned the impact the textile industry has on our way of life. I shall not go over that ground again. I quote again from the speech which the minister gave in Montreal on January 20:

> Canada imports about $700 worth of goods per capita per year while the United States and Japan imports goods worth about $180 and $150 per capita, respectively.

Those figures are worthy of attention, especially when it is considered that Canada properly takes its place with the two countries mentioned in that quotation when it comes to the standard of living of our citizens. So we are talking "big league" when we discuss the export and import situation in this country, and "big league" indeed

[Mr. Portelance.]

when we deal with the difficulties imports can create for our domestic industry.

I suppose the minister is one of those twentieth century technocrats who are not as well versed in history as they should be. But there was a time 100 years ago when another Liberal government was in power during a recession. That was the government of the good old stone mason, Alexander Mackenzie, and in opposition was Sir John A. Macdonald, possibly the greatest Canadian who ever lived. It was a time of recession. It was also a time of insensitivity on the part of Alexander Mackenzie, caught up in thoughts of free trade. Sir John A., with that wonderful feeling he had for the needs of Canadian people, soon taught Alexander Mackenzie what the name of the game was when it came to building up a nation. Unless the government does more about building up the prospects for Canadian employment at the present time, the same thing will happen to them.

In any event, having made those comments, which seem to amount to a plea for unlimited protection, or at least to a plea for sensible protection, the case I have in mind is one where a little less protection is needed and a little more common sense. I hope the minister will listen. He is an insensitive technocrat. He wants to talk to somebody. I will put it on the record and then I will draw it to his attention. This problem arises from the fact that Maritime Canvas Converters could make good use of something called flax cloth, 18 oz. per square yard. I believe that is the technical term used for it. This material serves in the manufacture of ventilator covers, lifeboat covers, hatch covers and so on.

The company loses business in Canada because the Department of Finance has imposed duty on this material, imported from Scotland. As a result, the masters of vessels, and others, who could have these covers made in Halifax, thus providing work for Canadians, choose to go to the United States to get it done. The captains say to Maritime Canvas Converters Limited that they get a 25 per cent subsidy when the work is done in the United States. I am not talking about large potatoes; I am talking about jobs for people—and over the next few months we shall hear a great deal in this Parliament about jobs for Canadians.

We need a few sensible measures in addition to a little more flexibility than we have at present. Perhaps the minister's legislation will provide this. I should complete the story by saying that no Canadian firm makes flax cloth, 18 oz. per square yard. At least, there is none that has been heard of in Halifax. If such a firm exists, its salesmen have not reached that great east coast port. This material is made in Scotland and as far as is known it is not made in Canada. It may be made in the United States. Thus, it is hardly a commodity on which a duty has to be placed in order to protect a Canadian manufacturer.

The people in Maritime Canvas Coverters and Upholstery Limited have engaged in correspondence on this subject with the Department of Finance; I refer to a letter written to Mr. J. W. Latimer in that department. What I am suggesting to the minister is this. Since the board has these powers and there are to be changes to

the Export and Import Permits Act and in our method of dealing with customs, we should not restrict these changes unnecessarily. I suggest there should be some means of throwing off customs duties rather than erecting them. In other words, there should be some means of removing barriers when the Canadian textile industry is not fulfilling a need that is very apparent, as proven by the example of the company to which I have referred. The minister nods: I thank him for listening to my argument.

• (3:40 p.m.)

I hope this point will be considered and that the law officers who will be briefing the committee when it deals with this legislation will be of the opinion that the powers are flexible enough to do what I suggest. We are not talking about many jobs, Mr. Speaker—perhaps 10, 15 or 20. However, we are talking about jobs, and since jobs are important, flexibility is a crying need.

My only other point is to warn the minister that he had better have a lady on this board. Three men are to be given the authority to decide what textiles Canada will manufacture. I do not know whether the minister reads the fashion pages or stumbles into the women's section of newspapers; I suppose the women's liberation news gets on the front page. But the ladies are in a fair amount of revolt, one of their main causes being fashions that they are asked to wear. Nowadays they decide for themselves; no man tells them what to wear. Therefore, it seems to me that if the minister does not have at least one woman as one of the powers-that-be on the board, he should at least have some female advisers in a pretty senior position; otherwise he might get himself into a great deal of trouble.

Mr. Comeau: With his wife!

Mr. McCleave: I am sure his wife tells him at home what he does wrong—but all wives do that. Perhaps the minister will agree that this move is imperative. With those thoughts I am delighted to have had the ear of the House for a few minutes.

Mr. Joseph-Philippe Guay (St. Boniface): Mr. Speaker, I too should like to say a few words in the debate on Bill C-215, though in somewhat different vein from the remarks of the hon. member for St. Hyacinthe (Mr. Ricard) and the hon. member for South Western Nova (Mr. Comeau). Every time I hear them speak in this House it seems to me the outlook is one of doom and gloom.

Mr. Comeau: You are never here.

Mr. Guay (St. Boniface): I am always here. On that point I would compare my record of attendance with that of either of the two hon. members. In fact, I would put my attendance against their joint attendance any day.

Mr. Comeau: Look at the index to *Hansard.*

Mr. Guay (St. Boniface): This industry holds a very important place in the Canadian economy. It is the sixth largest employer among Canadian manufacturing industries, employing 124,000 persons. It comprises 22,600 companies whose total sales, including knitted outerwear, amount to $1.3 billion, $70 million worth of which goes to export markets.

It may appear unusual to some hon. members that a member from a western province should be so interested in a bill which appears intended mainly for eastern manufacturers. I would like to stress, however, that western Canada has an important share of the Canadian clothing industry. There are about 200 companies in the four western provinces. They employ over 10,000 persons and have total shipments in excess of $132 million. My interest is all the more justified if one considers that 126 of the 200 companies mentioned are situated in the province of Manitoba, most of them in the greater Winnipeg area.

The shipments to date of these 126 companies amount to $79.1 million, and the companies employ 6,300 workers. Comparing this with Saskatchewan, there are four companies in that province with shipments of $4.8 million and only 300 people are employed by these companies. In Alberta, there are 22 companies with shipments of $24.6 million and employing 2,000 people. There are 48 companies in British Columbia, with shipments of $24.1 million and a labour force of 2,100. I think these figures prove the point I have endeavoured to make.

In light of these figures, it is fair to say that the Canadian clothing industry is one of demonstrated capability. It is in fact competitive with clothing industries of other developed countries from the point of view of style, quality and price. This is attested to publicly by an important array of knowledgeable and influential people. Let me give some examples. We often hear members of the opposition quoting articles in newspapers, and sometimes I think we on this side do not get our fair share of publicity. However, on this particular aspect I should like to say that the press did give us a fair shake, and they would not have done so had they not meant it.

There was an article in *Maclean's* magazine for June, 1970, praising the style and quality of Canadian-made garments, entitled "You mean all that stuff is Canadian!". This is an article all Canadians should read. It describes what articles Canadians are making, exporting and wearing. Also, an article appeared in *Men's Wear* magazine in October, 1969, and I should like to quote from it as follows:

> Merchants say the reasons for more imports from Canada are rising prices of the European market, better deliveries, co-operative manufacturers and good quality and fashion...we like English fabrics, but the cost was getting too high. Now, we get the same fabrics from Canada ... at a much lower price—
>
> Two stores in the Atlanta area carry Canadian merchandise: Rich's and Rogue Specialty Shop. Rich's clothing is store labelled and purchased through the AMC buying group. The Rogue carries a line of leather goods and suits from Canada. Gerry Underwood, Rogue owner, reports the suits are one of his most advanced lines and bring a premium price—
>
> The merchandise manager for another major men's wear outlet spoke well of a Montreal clothing resource which supplied suits for his firm under a private label.

Another article appeared in the Ottawa *Journal,* written by Richard Jackson and headed "Trade Dept. 'Go-Go'

Style Wins World Fashion Sales". He is a Tory, but since the story is a good one I will quote it. It reads in part as follows:

● (3:50 p.m.)

Showing New York, London, Los Angeles, Paris, Frankfurt what's up in high fashion?

Believe it.

For that's what it says in Women's Wear Daily, the bible of the women's fashion industry.

The other day, out of Frankfurt, West Germany, WWD carried this dispatch from its European correspondent:

"Twelve Canadian textile mills (10 in Quebec, one each in Ontario and British Columbia) garnered immediate sales of $3.16 million and potential for $13 million more at their first combined exhibit at the German trade fair for clothing textiles here.

The article continues:

But isn't the Canadian textile industry supposed to be in deep trouble, and what's it doing competing successfully against world competition at a Frankfurt trade fair?

Very nicely, thank you, says Industry, Trade and Commerce Minister Jean-Luc Pepin.

And not just in Frankfurt.

Then the article continues:

But in New York, Philadelphia, Dallas, London and a lot of other places.

Not just with textiles, either, but with sportswear, knitwear, furs, costume jewellery, rainwear, coats, dresses, leathers, and suedes, gowns, hosiery, suits, slacks, hats, shoes. The whole head to toe works in the world of fashion and fabric, male and female, and children too.

The article goes on in the same fashion but I will bypass that for the moment. I quote from *Le Devoir* of January 21, 1971 as follows:

[*Translation*]

The Minister of Industry, Trade and Commerce attempted yesterday, in a speech before the Canadian Association of Importers, to explain the solutions selected by the government in the field of Canadian trade policy, on the basis of the principle that a balance should exist between advantages and drawbacks.

With regard to the textile and clothing industry, Mr. Pepin explained that the bill tabled in the House last week and providing for the establishment of a Textile and Clothing Board is unique in the whole commercial community of the free world. He added, as was reported in the *Wall Street Journal*, that this action might well be taken as an example by others with a view to improving the global situation of the world textile trade.

This Board composed of three members was established early in December and a bill to sanction its legal existence is now before the House.

Moreover, the minister expects that by 1975, Canadian footwear exports will have more than doubled, from $30 million in 1970 to $70 million.

Let us point out that the Canadian footwear industry, like the textile and clothing industry, is facing a very strong competition from Asian countries—mainly Japan and Hong Kong—where production costs are lower.

As far as privileged financing is concerned, the government is ready to implement all the anticipated and authorized means under its international commitments in order to reduce imports financed by foreign governments when they seem to hurt the Canadian industry.

I should like—

[Mr. Guay (St. Boniface).]

[*English*]

The Canadian clothing industry is, therefore, one of which we can be justly proud. The industry is characterized generally by an important number of smaller firms, 60 to 70 employees on the average. This characteristic enables individual firms to be flexible and adaptable, two features which are extremely important in a business subject to the whims of style and fashion. At the same time, however, the smaller size constitutes a drawback for most firms because it bars them from having ready access to the capital market. Being in a highly competitive business, the companies do not usually generate sufficient funds to finance needed expansion.

This is especially true of the garment industry in western Canada, and in Winnipeg particularly. There the companies are in a state of transition. From manufacturers of basic items—the utility type of clothing—they have evolved into highly fashionable items produced for sale throughout Canada and the United States. These companies are in a difficult period of transition; their demands for capital are rising, profits are meagre and they find themselves in a very vulnerable situation.

In contrast to these difficulties, the long-term prospects of the industry are much brighter. Given the projections of continued growth in the Canadian standard of living, it is reasonable to expect that Canadians will allocate a larger share of their income to purchasing clothes. With regard to exports, where the main considerations appear to be price, style and quality, our exporters have already made quite a remarkable impression. Between 1964 and 1969, the last year for which complete statistics are available, Canadian clothing exports grew from $17,248,000 to $58,321,000, an increase of 238 per cent. This is, therefore, an industry not to be neglected and I believe it is important that it be given every opportunity to further improve and increase its competitiveness.

Since the development of its textile policy, the Department of Industry, Trade and Commerce has greatly assisted Canadian clothing manufacturers through its trade fairs and missions program, productivity centres, the Fashion Canada promotional program and the modification of the general adjustment assistance program to make it more readily accessible to this industry.

As the minister mentioned yesterday and today, Bill C-215 is but another element of the government's textile policy. He should be highly complimented for this approach. Quite apart from specific aspects of the bill, the creation of a textile and clothing board, amendments to the Export and Import Permits Act and the Customs Act which give the government the necessary tools to implement its new policy, the bill has a special significance inasmuch as it confirms the government's confidence in and support for the textile and clothing industries of Canada. This, in turn, is most important to Canadian manufacturers and should encourage them to take the necessary steps to expand and take advantage of the market opportunities available in Canada and abroad.

Mr. Deputy Speaker: Order, please. It being four o'clock p.m., the House will now proceed to the consideration of private members' business, namely, public bills, notices of motions and private bills.

PRIVATE MEMBERS' PUBLIC BILLS

Mr. Mahoney: Mr. Speaker, I believe there is general disposition to proceed immediately to item No. 7 on the Order Paper under public bills, namely, second reading and reference of Bill C-25 standing in the name of the hon. member for Burnaby-Richmond-Delta (Mr. Goode), and that the preceding bills retain their position on the Order Paper.

Mr. Deputy Speaker: Is it agreed that all the items on the Order Paper appearing prior to Bill C-25 shall stand and retain their positions?

Some hon. Members: Agreed.

* * *

CANADIAN NATIONAL POLLUTION AWARENESS WEEK

MEASURE TO MAKE PEOPLE AWARE OF ENVIRONMENTAL POLLUTION

Mr. Tom H. Goode (Burnaby-Richmond-Delta) moved that Bill C-25, respecting Canadian National Pollution Awareness Week, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Some hon. Members: Carried.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, it is indeed a pleasure to have the opportunity to—

Mr. Knowles (Winnipeg North Centre): —to cut off your own colleague.

Mr. Mahoney: Mr. Speaker, I am sorry; I must have misunderstood the hon. member for Burnaby-Richmond-Delta (Mr. Goode).

Mr. Deputy Speaker: Order, please. The Chair has recognized the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney).

Mr. Mahoney: Mr. Speaker, the bill before the House is one that I think is very worthy of endorsement. The problems of pollution—a matter so much in the public interest today—should be approached with a great deal—

• (4:00 p.m.)

Mr. McGrath: I rise on a point of order, Mr. Speaker. I thought the measure before the House was No. 7 of public bills. I believe this item stands in the name of the hon. member for Burnaby-Richmond-Delta (Mr. Goode), and I am wondering what the Parliamentary Secretary is doing on his feet at this time, apart from trying to talk-out his colleague's motion.

Mr. Deputy Speaker: Order. The Chair has recognized the Parliamentary Secretary.

Mr. Mahoney: Mr. Speaker, I am on my feet simply because Your Honour recognized me. I think the bill—

Mr. McGrath: Mr. Speaker—

Mr. Deputy Speaker: Order, please. Is the hon. member rising on a point of order?

Mr. McGrath: Yes, Mr. Speaker. I am wondering whether the hon. member intends to give us an explanation of his bill. This is what we are waiting for.

Mr. Deputy Speaker: I recognize the Parliamentary Secretary.

Mr. Mahoney: Mr. Speaker, in common with many of the other problems facing Canada and world society today, this is an area of concern. Nothing but the greatest benefits can come from a public awareness of the circumstances surrounding it.

Mr. McCleave: Mr. Speaker, I rise on a question of privilege which I believe affects the rights of all members of the House and in particular the rights of the hon. member sponsoring this bill. As I understand the procedure resulting from Your Honour's recognition of the Parliamentary Secretary, it is that the sponsor of the bill will not have an opportunity to speak on it unless he is permitted to close the debate; he does not have the opportunity to open the debate and explain his bill. In view of the limits placed on private members' hour, I believe this precedent, if allowed to become practice, would have serious consequences. I believe a great deal of thought should be given to this procedure before we accept it. I hate to put my question of privilege forward in this language, but what has happened in the last few minutes is disturbing.

Mr. Deputy Speaker: Order, please. The hon. member for Winnipeg North Centre (Mr. Knowles).

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, it seems to me there is unnecessary confusion in respect of this point of order. What happened was quite clear. The hon. member for Burnaby-Richmond-Delta (Mr. Goode) moved the second reading of his bill and the motion was seconded by the hon. member for St. Boniface (Mr. Guay). Because some of us were shouting "Carried," I take it the hon. member who is sponsoring the bill thought he might get it through without speaking and he therefore sat down. All he did was tip his hat, as the book says, but that meant he had spoken. So it was then open to anyone to enter the debate, and Your Honour quite properly recognized someone. I do not blame the hon. member for trying to get his bill through, but he has lost his opportunity to speak at this stage. He can speak again to conclude the debate when we reach the end of second reading, but that could be a year from next March.

Mr. McGrath: Mr. Speaker, I wonder whether the business of the House might be facilitated if the Parliamentary Secretary were given an opportunity to table his speech as read, so that we could obtain the consent of the House to the motion.

Mr. Anderson: In rising on the point of order, Mr. Speaker, I endorse the views of the hon. member for Winnipeg North Centre (Mr. Knowles). The hon. member for Burnaby-Richmond-Delta (Mr. Goode) did indicate that he did not intend to speak to the bill, and Your Honour recognized another member who can speak for only 20 minutes. When the hon. member has concluded his remarks, the hon. member for Burnaby-Richmond-Delta can say a word or two.

An hon. Member: He cannot.

Mr. Anderson: Yes, he can.

Mr. Deputy Speaker: Order, please. I think hon. members would wish to proceed with the debate. If there is any confusion, there at least is none in the Chair's mind. The hon. member for Burnaby-Richmond-Delta (Mr. Goode) moved the second reading of this bill, and my impression was that he did not wish to speak. Having moved second reading of the bill, he resumed his seat. The Parliamentary Secretary was recognized by the Chair, and he now has the floor. I do not think we should hold up the debate by speculation as to whom the Chair should have recognized.

Mr. Mahoney: Mr. Speaker—

Mr. Peddle: Mr. Speaker, I move that the hon. member for Burnaby-Richmond-Delta (Mr. Goode) be now heard.

Mr. Deputy Speaker: The hon. member for Burnaby-Richmond-Delta may be recognized only if there is unanimous consent of the House that he be heard.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent.

Mr. Mahoney: Mr. Speaker, I would be very pleased to accede to such unanimous agreement if it permits me to have the floor on an appropriate, later occasion and if I am not deemed to have already spoken on this matter.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: With unanimous consent, the Chair will recognize the hon. member for Burnaby-Richmond-Delta.

Mr. Walker: Mr. Speaker, I rise on a point of order. There was a definite negative voice on the other side in respect of granting the Parliamentary Secretary the right to speak.

Mr. Deputy Speaker: I take it there is not unanimous consent. The Chair feels the debate should proceed.

An hon. Member: It is unanimous.

Mr. Deputy Speaker: The Chair hesitates to prolong the time taken on the point of order. The question is whether there is unanimous consent that the hon. member for Burnaby-Richmond-Delta be now recognized and that the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) be recognized later in this debate. Is there such unanimous consent?

Some hon. Members: Agreed.

Mr. McGrath: Mr. Speaker, the Parliamentary Secretary to the Minister of Fisheries and Forestry (Mr. Corbin) refused to give his consent.

Mr. Corbin: Mind your own business.

Mr. Deputy Speaker: The Chair did not hear any negation of unanimous consent; therefore, the Chair will recognize the hon. member for Burnaby-Richmond-Delta.

Some hon. Members: Hear, hear!

Mr. Tom H. Goode (Burnaby-Richmond-Delta): Thank you, Mr. Speaker. I have a long speech prepared, but I have a feeling that my colleagues not only on this side but on the other side of the House are prepared, after token objection, to let the bill go to the committee. If that is the case, I shall sit down and allow the Parliamentary Secretary to continue his speech.

Mr. Mahoney: Mr. Speaker—

An hon. Member: Talk it out.

Mr. Mahoney: —I am glad we gave the hon. member an opportunity to make his speech. It would be a poor world had we not done so. I do not think anyone recalls what I said prior to the procedural discussion on this matter, so perhaps I should start from scratch. The question of pollution is one in respect of which a benefit can redound to our country and society as a result of the fullest public knowledge of all aspects of the problem. In this respect I would place it in the same category as foreign investment. We are likely to achieve nothing if we attack pollution from an emotional base, because in this way the wrong answers could be obtained which would be very serious indeed both in the long and short run.

• (4:10 p.m.)

I think we can accept as a fact that our physical environment is not as good as it used to be. In addition, we can probably all agree that it is not as good as it should be. General acceptance of these facts has been a great triumph in terms of the environment and the necessary prerequisite to the successful fight against pollution. I would also put it to the House as a fact, one not generally accepted, that our environment is a unified system and that one of our greatest problems is our habit—indeed, not only a habit but almost a diligent pursuit—of compartmentalization and specialization. This is common to many areas of life: when we approach the environment we are prone to slice it into separate uses, special technologies and different administrative units. This fragmented approach neglects the intimate relationships among the fundamental elements of our environment, yet pollution of one of these frequently results from the mismanagement of one of the others and even from efforts to control the pollution of another.

The decision to avoid polluting a river, by burning waste, pollutes the air. If we decide to bury the waste, we may pollute the soil and/or the ground water. This fragmented approach leads to a multiplicity of institutions for the management of resources and waste disposal. Pollution control is an integral part of resource management. Our institutional structure for resource management, both federal and provincial, comprises a number of departments with responsibilities usually limited to particular aspects of individual resources or groups of resources. The forestry departments are examples. In addition, other departments and agencies, while not primarily resource oriented, have policies and programs which have an impact on resource use and ultimately on environmental quality—the health department, for example.

Generally, our governments are organized in relation to human activities—agriculture, fisheries, industry, transport, health and welfare, education and so on. The resource-directed departments—for example, mines and minerals provincially; energy, mines and resources federally—have been very specialized not only in terms of the resources they are charged with managing but in areas of management responsibility. It is becoming increasingly obvious that if we are to succeed in controlling the quality of our environment, as much as possible we must manage our resources as an integrated whole. Comprehensive planning must be applied to the whole field of natural resource management if we are to succeed in balancing economic growth with environmental quality in order to achieve an optimum quality of life.

The emotional reaction to some of the conspicuous ecological problems that we have confronted in recent years has brought a consciousness of the pollution challenge, of the necessity of preserving our environment. But it has also brought us dangerously near to making some very serious errors through overreacting. The fact, of course, is that pollution control is not without cost.

I believe that control measures must inevitably be applied. The problem is how to apply them at a cost that our economy and society can bear. I suppose the costs that will confront this society, as it seeks to improve the ecology, will be reflected in two general ways. First, there will be a great deal of pressure on the public sector to provide services and facilities which will improve the disposition of waste and improve our methods of handling the materials that flow from human activity. On the other hand, we will impose great costs on industries, and these are properly chargeable to them. Many industries operate at a given cost because they are free to dispose of their waste products without any regard for the social cost or the cost to the environment; and, of course, Canadians will demand that they absorb these costs in their industrial processes. These costs will inevitably be passed on to the consumer. So we get right back to ourselves: we will pay for this improved standard of environment one way or another, be it through taxes or through higher prices of the commodities and services that we use and absorb.

The massive offshore oil-spill of January, 1969, in the Santa Barbara channel of California led to dire forecasts that the channel would be a dead sea and a marine desert ever after. This is perhaps one of the great benefits that could flow from the bill which the hon. member for Burnaby-Richmond-Delta (Mr. Goode) has put before us. At the time this oil-spill was very much in the news, we were faced with new reports along the following lines:

> Conservationists ... fear that Santa Barbara channel will become what they are calling a dead sea from oil pollution.
>
> Marine biologists fear the worst for the balance of nature ... The full damage to sea life, they say, may never be measured.
>
> Commercial fishermen in the area now claim that their business is going to be destroyed for years.

Life magazine rather outdid itself in a bit of biblical prose: "Now the churning of our passage was dark in a sea gone dead". It was beautiful!

The University of Southern California was endowed with a sum in the order of $250,000 by the petroleum industry, with absolutely no strings attached; the only condition was that the industry would exercise no control or influence over the project, its findings or its publications. The direction of the study was under an Australian marine biologist, Dr. Dale Straughan. The reports have finally come in. Dr. Straughan reported, at the recent international pollution conference held in Rome, no significant deviation from the expected kinds and abundance of fish eggs and larvae in the area. She reported that a survey of the sandy beaches over 12 months following the oil-spill failed to pinpoint any damage due to oil pollution. Researchers did detect an over-all decrease in intertidal zones, but the decrease occurred on shores far removed from the Santa Barbara spill, as well as on those fouled by oil. Dr. Straughan commented:

> This decrease was not associated with oil pollution but generally with increased human activity on some beaches and increased amounts of chronic pollution other than oil.

In terms of fisheries' analysis, the California department of fish and game announced as follows:

> all fish appeared healthy and (it was) ... unable to find any indications of impairment in the food chains or damage to the fish populations.

• (4:20 p.m.)

Commercial catches by Santa Barbara-based fishermen were small when oil was on the water and the fishermen were remaining in port. However, boats from other ports continued to fish the channel. The department stated as follows:

> Comparison of the total commercial fish catch from the Santa Barbara channel and channel islands for these six months in 1969 ... with the same six months in 1968 ... shows no decrease in catch for the area. At the time of this spill, living birds in the channel numbered 12,000. By May the population rose to 85,000 because of seasonal migration.
>
> Mortality from all causes, including oil, is estimated to have been between 4,500 and 5,000 birds—

So we see that in a highly emotional, highly publicized, highly charged situation—certainly dramatic and spectacular in terms of pollution of the environment—in fact the after-effects were not as predicted by those who cried so emotionally at the time. Perhaps nature does have a

somewhat greater capacity than we give her credit for to cope with natural disasters.

While we are on the subject of the bill, Mr. Speaker, another area of education which could certainly be undertaken covers some of the positive advantages. For the last 23 years or so, oil drilling has taken place in the Gulf of Mexico off the coast of the United States. In that time, over 11,000 wells have been drilled and of these only 30 have gone out of control. During the same period in the same area, commercial fishing has soared while in other waters it has declined. During the past decade the commercial fish catch in U.S. waters off New England, the middle-Atlantic, the south Atlantic and off the west coast declined by as much as 750 million pounds. In the Gulf it increased by 600 million pounds. Commercial fishing in the Gulf landed only 250 million pounds in 1940, 800 million pounds in 1955, and in 1969 this increased to 1.6 billion pounds.

The safe production of petroleum products in offshore areas is crucial. No one is suggesting that anyone should proceed with this activity if there is danger to the ecology or to nature, but the fact is that it is of great value to humanity to develop safe ways of getting petroleum from under the sea. Estimated reserves of offshore areas total about 20 per cent of the world's reserves.

Mr. Deputy Speaker: Order, please. Very respectfully, I bring to the attention of the Parliamentary Secretary that the bill the House is considering is a very short and simple one. Perhaps the Parliamentary Secretary would assist me by relating to the bill his remarks on petroleum exploration.

Mr. Mahoney: Mr. Speaker, it was my impression that the intention of the bill was to designate a Canadian national pollution awareness week. Therefore, I would have thought that awareness of some of the more dramatic and spectacular causes of pollution would be related to the subject matter of the bill. This question has been to the forefront in Canada, certainly during the life of the current Parliament.

I do not regard the form letter as a particularly effective method of political pressure, but a year ago in Calgary there was an effective form letter, prepared by school children, urging action with respect to pollution. One of the recommendations in the letter was that we be limited to one automobile per family. It is interesting that in the letters sent to me by the students themselves, this recommendation was retained—but in four out of five of the letters they had induced their parents to sign, the parents had scratched out that particular recommendation. This only confirms my impression that while almost every intelligent person is concerned about pollution, very few are prepared to admit that they, as individuals, are contributing to it. Consistent with that attitude, they do not see why they should be expected to change their habits, much less make any sacrifice in comfort, convenience or efficiency in the interest of reducing or eliminating a source of pollution.

There are very few, if any, sources of pollution that do not have people, human activity, at their root. Only those involving human activity can be successfully legislated against. Workable regulations to limit and to reserve pollution will in every case demand that some people change their ways. Of course, we are all for that until we find that we are expected to make the sacrifice because we believe—sincerely, I am sure—that the benefit of our particular activity far outweighs its cost to the environment. The attitude is: Let us by all means render the pulp and paper industry uneconomic by shutting down all the old mills until effective antipollution devices are invented and installed, but do not ask me to stop idling my car on a winter's morning or burning autumn leaves.

That is why I say the purpose of this bill, the desire to pinpoint the significance of pollution in all ways, the significance of the cost of pollution to our environment and to our society, the benefits of controlling and reversing it, and the cost that we must pay in achieving that benefit, must all be made known to the public before emotional steps are taken. That is why I heartily endorse the purpose of the bill and hope it goes to committee.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I had a speech prepared to deliver on this most interesting bill, but since it seems to be the disposition of the House to get on with this important measure I shall only say that I take great pleasure in supporting the bill. I listened with amazement to the irrelevant remarks of the Parliamentary Secretary, who literally polluted the air with his verbal barrage. I can only say that he is not genuinely concerned for this bill, moved by his colleague in all good faith. But I assure the hon. member that we on this side of the House support him. We support his intention, we commend him for it and we hope the bill passes.

Mr. Barry Mather (Surrey): Mr. Speaker, on rising to take part in the discussion on the bill proposed by the hon. member for Burnaby-Richmond-Delta (Mr. Goode) I say at once that I and my colleagues have no objection to passing it. I do not think it will do any particular good, but on the other hand, unlike some of the other proposals put forward from the government side, I do not think it will do any particular harm.

The hon. member and I come from the lower mainland of British Columbia. That part of Canada needs no pollution awareness week to make its people aware of pollution. The people in the lower mainland of B.C. are aware of it 52 weeks of every year: they are aware of pollution by land, sea, air and sound. In that area, one half of one per cent of the land area of the province, live half the population of the province; and as somebody said earlier, where there is a concentration of people, you have potential pollution. We have real pollution in our area. For one thing, we have the Fraser River winding like a sewer through the lower mainland, polluted for years with the discharge of residential and industrial waste. Just recently a survey was made of it by a voluntary organization called SPEC. Some 51 students did an excellent job studying pollution of the Fraser. They presented a report incorporating detailed anti-pollution measures. That report is very appropriate to our discussions today.

• (4:30 p.m.)

As I say, the proposal put forward by the hon. member will do no harm, but I do not think it will do any good. It

seems to me that we should allow this bill to pass so that more Canadians may become aware of our pollution difficulties. I think, also, that what is needed is not a week devoted to pollution awareness, or more studies on pollution, but action under the law. We should act, even under the criminal law, to curb existing pollution, including pollution on the lower mainland of British Columbia. Having said that, I resume my seat with the hope that this measure will pass.

Mr. R. J. Orange (Northwest Territories): Mr. Speaker, I want to make a few brief comments on this bill. First of all, I congratulate the hon. member for Burnaby-Richmond-Delta (Mr. Goode) for bringing the bill before the House. I think it makes a great deal of sense for Canadians to be made aware of our pollution problems. I suggest that when the bill is referred to the Standing Committee on National Resources and Public Works it be re-named the Canadian National Environment Week Act. I suggest this because I believe that when we talk about pollution we talk in negative terms, whereas when we talk about the environment we talk positively.

I support the provision of the bill. I should like to see it go to committee. I hope that when the committee has a chance to examine the bill, it will also examine thoroughly the effect on our environment of those matters which already have been touched upon by this House. I commend the hon. member and support the provisions of this bill.

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I should like very briefly, perhaps for not more than two minutes, to talk about the bill. May I, too, congratulate the hon. member for Burnaby-Richmond-Delta (Mr. Goode) on his iniative, his concern and his thoughtfulness in bringing forward this kind of bill. I have only one reservation: I do not know if the bill will do any good, but I agree with the hon. member from the NDP who said that it cannot do any harm. That is my only reservation. If the hon. member is to speak before the debate closes, he might touch on this point.

I wonder if a week is long enough. I am sure the hon. member would not find it difficult to persuade members on this side of the House to extend the period to one month, or to take in the whole of 1971.

Some hon. Members: Hear, hear!

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I, too, wish to speak briefly on Bill C-25 now before the House. Our group does not intend to talk-out the bill. However, I wish to make a few remarks in connection with it. The bill is entitled "An act respecting Canadian National Pollution Awareness Week". I have not yet made up my mind whether the title of "National Environment Week" suggested by the hon. member for Northwest Territories (Mr. Orange) is better than the present title. Personally, I believe there is a need to make the public of Canada aware, by any means available, of the pollution problems facing us. I think the House generally ought to endorse such an objective.

As I say, we endorse the principle of the bill. I for one feel it is an excellent idea that one week be set aside as national pollution awareness week. If the legislation were passed, I am certain we should find a number of schools, organizations and individuals concentrating upon the major environmental problems which face us. Perhaps that would give school students and individuals in various organizations throughout Canada a chance to learn a little more about the serious difficulties that mankind and the Canadian environment face. I therefore feel that either a national environment week or a Canadian national pollution awareness week would be of benefit in educating our people about our pollution difficulties.

One or two small matters worry me about bills of this kind. I want to make it crystal clear that bills such as this can do some good. But it is amazing that amendments moved by members on this side of the House, which could have done as much good as this bill or even better, have not been accepted. What has happened, Mr. Speaker? We on this side have not heard one word of support from members on the government side of the House.

Some hon. Members: Hear, hear!

Mr. Harding: Time and time again we have made suggestions which if accepted would have tightened legislation dealing with pollution. It is time for backbenchers on the Liberal side of the House to realize that all groups can assist in bringing forward good legislation.

Mr. McGrath: Hear, hear!

Mr. Harding: I see that I have ample time for speaking, Mr. Speaker. May I point out two or three things which have happened in the control of pollution in Canada.

An hon. Member: Don't kill the bill.

Mr. Harding: This bill deals with pollution. Little more than six months ago we passed the Canada Water Act. At that time members of the opposition fought for national standards. We lost the fight in the committee and on the floor of the House.

An hon. Member: The hon. member is all mixed up.

Mr. Harding: No, I am not mixed up.

An hon. Member: You are.

Mr. Harding: What is happening now, Mr. Speaker? The Minister of Fisheries and Forestry (Mr. Davis) is going from one end of Canada to the other demanding national standards, the same standards that the Conservative party, the New Democratic Party and the Créditiste party fought for only six or seven months ago.

Some hon. Members: Hear, hear!

Mr. Harding: At that time our Liberal friends without exception voted against the principle of national standards.

Some hon. Members: Shame!

Mr. Comeau: That includes the hon. member for Northwest Territories (Mr. Orange).

Mr. Harding: Mr. Speaker, this is just one more example of the need for full co-operation among all groups in this field. Without doubt, before this session of Parliament ends we shall have national standards or we shall see them introduced. The minister tells us they are being drafted. Who was right? We were right and the government was wrong. The government should have been with us in the fight for national standards six or seven months ago.

An hon. Member: Don't kill the bill.

Mr. Deputy Speaker: Order, please. The Chair asked the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) to observe and come within the terms of relevancy. I suggest to the hon. member who now has the floor that his remarks are somewhat outside the scope of the bill that the House is considering.

Mr. Harding: Thank you, Mr. Speaker. The point I have been trying to make is this: We should be aware at all times of the need for pollution control. I think hon. members in the government party were not very much aware of it when the proposition was before the House. There is one more point I wish to make. We need to be aware of pollution problems. Any suggestion that we can allow factories to pollute our waterways if they pay effluent fees is utter nonsense. Again, we fought about this matter six or seven months ago. Hon. members of the House must be aware of problems of this type.

Although one or two more members wish to speak, I should very much like to hear the sponsor of the bill winding up the debate. We should allow him a few minutes to explain his reasons for introducing the bill. Let him make the speech he prepared in connection with his bill. I shall say no more. Although I have been somewhat critical of past actions, Mr. Speaker, I make it crystal clear that I endorse the principle of the bill. I shall vote for the bill and try to push it through the committee when it is referred to it.

• (4:40 p.m.)

Mr. Maurice Foster (Algoma): Mr. Speaker, I am very happy to join in the debate on this bill.

Some hon. Members: Hear, hear!

Mr. Foster: I am glad to have such wonderful applause, especially from the hon. member for St. John's East (Mr. McGrath). He is a very close friend and I am glad he is supporting the bill. Sometimes we do not receive the kind of support we should receive from the opposition when dealing with good legislation such as is placed before the House by the hon. member for Burnaby-Richmond-Delta (Mr. Goode). This bill would proclaim a Canadian national pollution awareness week. The idea is to make Canadians more aware of the problem of pollution in order that future generations shall join in undertaking special projects during that week. They would then, throughout the year, practice the objectives and ideals established during that week.

The hon. member who preceded me talked about national water standards. I spent many weeks on the resources committee which drafted the Canada Water Act. I thought it was best to have the highest standard that could be achieved in any water basin or river system, rather than establish from the centre levels of water quality throughout the country. Although "national standards" is a nice catch-phrase, it is really a façade. National standards would be very difficult to work out in practice. People would contravene the regulations because it would be impossible to have one standard throughout the country.

Last week the joint constitutional committee of the Senate and House of Commons travelled across Canada. Briefs were presented throughout British Columbia and the lower part of Alberta. These briefs dealt more with pollution control than any other topic. Many people felt this should be a constitutional responsibility of the government and not in the area of divided jurisdiction, which is the case at present. As we listened to the briefs presented, I became painfully aware that the people of western Canada are unaware of the Canada Water Act. They are not aware of the very ingenious way in which it could be used in our present situation. The federal and provincial governments can delegate control of pollution of our environment, waters and river basins to water management agencies. One of the first duties of Parliament and agencies charged with pollution should be to make people aware that there is a Canada Water Act. This should be done during national pollution awareness week. Canadians can demand that the federal and provincial governments establish water management agencies for each river system, and in this way pollution could be controlled.

It is important that we have local participation. This is the value of local, water management agencies. People who live near a river basin can take an active part in this committee. They are the ones concerned with pollution in the area. I would like to see four water management agencies established in the province of Ontario, one for the Ottawa river, one for the two lower lakes—

Mr. Deputy Speaker: Order please. The Chair suggested to the hon. member for Kootenay West (Mr. Harding), and he agreed, that the bill under debate is very narrow in scope. We are not considering the Canada Water Act which was passed by Parliament some months ago. I ask hon. members to confine their remarks to the bill.

Mr. Foster: Mr. Speaker, I was trying to round out what a national pollution awareness week could do. It could make people in the province of Ontario aware of the need to establish water management agencies throughout the province. I suggest that there should be one agency for the Ottawa River which would involve the provinces of Ontario and Quebec and the federal government. There should be one for the two lower lakes, sometimes called the dirty lakes—Lake Erie and Lake Ontario. There should also be an agency for Lake Superior and Lake Huron, which are less polluted and one for the rivers flowing into James Bay and Hudson Bay.

I realize that many hon. members wish to speak on this bill, and I do not want to be accused of speaking too long. I support the bill; it has value and if passed could do a great deal to publicize this problem.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, in the remaining ten minutes there is plenty of time to pass the bill. I am irritated by the fact that members who pretend to be great saviours with regard to pollution are opposed to everything that is presented in committee. The government is not aware of pollution; they are not aware that Canadians cannot swim in clean water and breathe clean air. The government has not put its money where its mouth is. If this bill makes the government aware of pollution, I think all hon. members should support it.

[*Translation*]

Mr. Eymard Corbin (Parliamentary Secretary to the Minister of Fisheries and Forestry): Mr. Speaker, before beginning my comments it would be advisable to read the bill now under consideration since the sponsor has refused to reveal to the House the reasons which led him to introduce that bill.

Bill C-25 which reads as follows:

An Act respecting Canadian National Pollution Awareness Week

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. This Act may be cited as the *Canadian National Pollution Awareness Week.*

2. Throughout Canada, in each and every year, the second week in March shall be kept and observed under the name of Canadian National Pollution Awareness Week.

I wonder if members have taken the trouble of reading this bill. It is enlightening in certain respects and this is the question, Mr. Speaker, that I want to deal with this afternoon.

[*English*]

Mr. McGrath: Would the Parliamentary Secretary permit a question? If a private member presented a bill to set up little league baseball, would the government allow that bill to pass? Surely the Parliamentary Secretary is prepared to allow this bill, setting up a national pollution awareness week, to pass.

[*Translation*]

Mr. Corbin: Mr. Speaker, the hon. member for St. John's-East has not quite understood the reason for my rising. I must indicate now that I fully support this legislation.

Some hon. Members: Hear, hear!

Mr. Corbin: I feel however that it could undergo certain changes for the better. If one considers the text a little more, one sees that the bill aims at the promulgation, by the federal government, of a Canadian National Pollution Awareness Week.

The English version is somewhat different, Mr. Speaker, for it reads:

In French the term used is "lutte" and in English "awareness". In my opinion, those are two different things. From the beginning, there is—although the purpose of the bill might be good and noble and the bill desirable and commendable—a contradiction in the drafting of the texts. Any committee to which the bill would be referred should first take the time to clarify the matter.

• (4:50 p.m.)

The object of the bill is obviously to draw the attention of the public to an important problem. That is the aim of any proclamation that seeks to reserve a day, a week or a month of the year to publicize a product or commemorate the day a man was born or passed away.

Mr. Speaker. these interruptions rising from all sides of the House disturb me somewhat.

As I was saying, the government has decided from time to time to set aside certain days, weeks or months during the year to emphasize something, to draw public attention to a problem and call on the public to commemorate something. However, I believe the government's objective is also to call the publics' attention to its concern with such matters, which is very important.

I think we cannot say now that the government is not interested in anything regarding environmental pollution and conservation. In fact, the Minister of Fisheries and Forestry repeatedly demonstrated his concern in this field. This problem has been brought to our attention and we all recognize its urgency.

An hon. Member: Wrong!

Mr. Corbin: I dare say it is the chief concern of all nations today as evidenced by the many conferences being held on this matter. Every year, or every other year, these conferences grow in universality and in importance and even the United Nations are much concerned with the problems of environmental pollution and conservation.

Pollution affects water, air, the earth and forests and I believe the hon. member for Burnaby-Richmond-Delta (Mr. Goode) has tried to deal with the over-all pollution of our various environments.

With more time at my disposal, I could make a list of the efforts made at all levels of governments, provincial or municipal, and in other countries to fight pollution.

As I said, along with other members from all parties, this is a good bill. Some of us suggested that it would not make a great difference if we did not pass it. Of course, this is a matter of opinion.

The measure is desirable but I must say that in people's minds it would not add much, I think, to the seriousness of the problem affecting us all.

An hon. Member: Two minutes.

[*English*]

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. I raise this point before five

o'clock to ask whether the House would give unanimous consent for us to sit beyond five o'clock for half an hour or so in order that the Parliamentary Secretary may complete his speech, and that the hon. member from Burnaby-Richmond-Delta (Mr. Goode) may make his comments and thus conclude the debate. I am sure that we on this side would give our consent to such a proposition.

Mr. Deputy Speaker: Hon. members have heard the suggestion made by the hon. member for Winnipeg North Centre (Mr. Knowles). Is that agreed?

Some hon. Members: Agreed.

[*Translation*]

Mr. Corbin: Mr. Speaker, before going on with my remarks, I should like sincerely to thank my colleagues for this opportunity to analyze thoroughly certain ideas related to the bill before us. I was afraid I would not have enough time to keep on with my remarks.

I was just saying that the bill would not change much in people's minds as to the seriousness of the pollution problem.

On the other hand, it could be that some people who have remained indifferent up to now will react as the result of a vigorous advertising campaign, that would put right under their noses the fact that the second week in March will be National Pollution Awareness Week.

They may hear such a proclamation over the radio, upon getting up in the morning. They may make a special effort in their personal life to contribute in their own way, to the fight against pollution.

That is possible but such a proclamation would not make things very different, I think. It is, nevertheless interesting to recall the general unconcern shown by the public as to the quality of the environment until the press took hold of the problem, first as sensational news and then gradually to deal with it as a permanent problem in our society.

As for the hon. member for Burnaby-Richmond-Delta, he objects to the second week in March being chosen. Mr. Speaker, it is unfortunate that we had no occasion to hear the hon. member explain why.

I for one see no objection to it. For the hon. member, the second week in March heralds the end of the winter and the coming of spring. However, because of the piling up of waste, decay and debris almost everywhere, especially along the roads, this would have been a fine opportunity to call the public's attention to pollution.

On the other hand, the first or second week in September might have been the appropriate time of the year to make people aware of pollution. During the first or second week in September, students usually go back to school, and God knows how much waste holiday-makers leave behind them.

Finally, this is a matter of personal opinion, and if the government decides to proclaim such a week, it may, at its discretion, set aside the week it deems appropriate.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Speaker, I note that this bill should normally be referred to the National Resources and Public Works Committee. This committee is probably a remain of the previous committee system, when no special committee on pollution existed. However, Mr. Speaker, a special committee is today responsible for studying the various effects of pollution on our environment, and it is ably chaired by the hon. member for Esquimalt-Saanich (Mr. Anderson), now in the house.

• (5:00 p.m.)

In my opinion, the bill should be sent to that committee and not to the Committee on National Resources and Public Works.

Mr. Speaker, the members of the Special Committee on Pollution are already experts and take a real and personal interest in all questions relating to pollution.

It is interesting to note the great number of members who have taken the floor briefly this afternoon to support this bill. This indicates the major concern of all Canadians with regard to this problem which is getting worse everyday. We have yet to grasp the seriousness and implications of this evil. The NDP members have stated that this measure entailed no special harm nor good. They are sitting on the fence. You must be either for or against a measure and I would have liked them to state more precisely their position on this subject.

The opposition members have also expressed some interest in this bill. However, their speeches have been quite brief. It would have been interesting to hear them elaborate on this program.

However, hon. members should not forget that such a bill, if it is passed, will forcibly entail advertising expenses if we want its proclamation to have any effect. Sustained publicity in newspapers, weeklies and dailies, in magazines, on radio and on television, will be necessary. Much literature will have to be distributed throughout the country and particularly in the schools. It should be aimed mainly at the young generation.

I referred to schoolboys and schoolgirls, Mr. Speaker, but I could also talk about junior college and university students, young men and young women who make up a generation which more than any other in the history of the world is aware of the very serious threat of pollution.

[*English*]

In conclusion, I would say that if the people are not now aware of the stench, filth and noise lying around them, then God help them: they need new eyes, noses and ears. I do not think that a particular week set aside to make the public more aware of this problem will make very much difference in the long run. However, as I have said, I do not oppose the bill. For one thing, it will provide another good occasion for all members of the House to let the country know their personal feelings in regard to our efforts to abate pollution.

What the bill is probably trying to promote—at least, this was suggested by one hon. member—is the need for greater consciousness of improvement of our environment. I lay the emphasis on the word "improvement"—

improvement of the environment, not so much awareness of pollution.

We have plenty of pollution as it is; we should concentrate our efforts in the field of cleaning up the pollution. In this sense I think we should develop more publicity so that each individual man, woman and child will put a personal effort into cleaning up first of all, the immediate municipalities in which they live and then the whole world.

Mr. John Skoberg (Moose Jaw): Mr. Speaker, I am sure that in suggesting we extend our time for half an hour my colleague was concerned about the fact that many members of this House wish to refer to pollution problems in their areas. It seems that the hon. member for Burnaby-Richmond-Delta (Mr. Goode) believes that in one week we can do something about pollution because of an awareness of it.

I should like to say in about two minutes that it is clear every municipal council in Canada is aware of the pollution problems in their areas. They are aware of pollution in streams and lakes. This is manifested by the fact that they have asked the federal government for assistance to construct sewage disposal plants. Most of these requests have been rejected. We are aware that these municipalities have had little or no co-operation from the federal government in their plans to clean up rivers and lakes. We are also aware that our young people have been encouraged to participate in various anti-pollution programs. I suggest they could work more efficiently on a program to clean up the banks of the rivers in our country. We are aware that the many anti-pollution programs underway in our country require assistance.

The hon. member for Burnaby-Richmond-Delta suggests that in one week we can make everyone aware of the fact that we should do something about pollution. I suggest that in the last year we tried to persuade the Prime Minister (Mr. Trudeau) to agree to setting aside one day to be known as survival day. In a very flippant way he suggested this might mean another holiday for the entire nation. Does the hon. member think that because he has brought in a bill we can in one week do much in respect of anti-pollution across Canada and that this will mean something specific to the nation? If he thinks this bill will make people more aware of what can be done in respect of pollution, I wish him well.

I am sure people throughout this nation will find it ironic that it was left to a Liberal backbencher to bring in such a bill, that member being a supporter of a government which should do something to rectify the problems we face. There is an awareness to the problems of pollution. I am sure that what is required is a little initiative and concern on the part of the government. Perhaps in this way we could rectify the situation.

Mr. Deputy Speaker: Order, please. I must advise hon. members that if the hon. member for Burnaby-Richmond-Delta speaks now, he will close the debate.

Mr. Knowles (Winnipeg North Centre): Make it good.

Mr. Goode: This being Friday afternoon, Mr. Speaker, I know that hon. members would like to get back to their families, so I will not speak at length. I thank hon. members opposite and those of my own party for co-operating with me in respect of this measure. I am sure the House is unanimous in its concern for the environment of Canada. As a final comment I would say that I have no objection to the title of the bill being changed to read "National Environment Week". When it is referred to the committee, gi will enjoy working with my friends on this matter.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Deputy Speaker: In accordance with the order made earlier by unanimous consent, this House stands adjourned until two o'clock Monday afternoon.

At 5.13 p.m. the House adjourned, without question put, pursuant to Special Order.

HOUSE OF COMMONS

Monday, January 25, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

PUBLIC SERVICE

OBSERVANCE OF PRINCIPLE OF NON-DISCRIMINATION—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, pursuant to Standing Order 43 I ask the unanimous consent of the House to present a motion concerning a matter of urgent and pressing necessity. It arises out of the uncertainty and uneasiness caused by the statement circulated in the mass media that the government has adopted an employment policy that violates the principle of non-discrimination which parliament has enshrined in several statutes including the Public Service Employment Act, the Canada Fair Employment Practices Act and the Canadian Bill of Rights.

I therefore move, seconded by the hon. member for Gander-Twillingate (Mr. Lundrigan):

That the Standing Committee on Justice and Legal Affairs be instructed to inquire into the administration of the Public Service Employment Act, the Canada Fair Employment Practices Act and the employment practices of the Treasury Board with particular reference to the observance of the principle of non-discrimination.

Some hon. Members: Hear, hear!

Mr. Speaker: Hon. members have heard the motion proposed to the House by the hon. member for Edmonton Centre. This motion requires unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not consent the motion cannot be put at this time.

Mr. Paproski: On a point of order, I want it to be on the record that members on the government side have refused to give leave for this motion—

Mr. Speaker: Order, please. That is obviously not a point of order. It is a point of debate. The hon. member knows that as well as I do, and I would suggest to him that he should not receive the floor on that basis.

• (2:10 p.m.)

SPECIAL RECRUITMENT OF FRANCOPHONES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I also ask leave to move a motion under Standing Order 43. May I inform Your Honour forthwith that the subject matter is in the same area as the motion first proposed, but because I have worded the motion differently, and since I believe the government itself might like to have the matter cleared up, I hopefully ask that I be given unanimous consent to move the motion which I have drafted. I therefore move, seconded by the hon. member for Surrey (Mr. Mather):

That the report of the circulation of a memorandum entitled "Special Recruitment of Francophones in the Public Service" be referred to the Standing Committee on Miscellaneous Estimates—

I interrupt my reading of the motion to point out that that is the committee to which Public Service matters go.

—so that the said committee may investigate the whole matter and make sure that no steps are contemplated that would interfere with strict adherence to the merit principle in the recruitment and promotion policies of the Public Service.

I hope the House will give its consent so that this matter can be cleared up.

Mr. Speaker: I have before me a copy of the motion proposed by the hon. member for Winnipeg North Centre. In this instance also the motion is proposed under the terms of Standing Order 43 and therefore requires unanimous consent. Is there unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The hon. member will have noticed there is not unanimous consent; therefore the motion cannot be put.

* * *

CANADA DEVELOPMENT CORPORATION

PROVISION FOR ESTABLISHMENT, OBJECTS, POWERS, CAPITALIZATION, ETC.

Hon. E. J. Benson (Minister of Finance) moved for leave to introduce Bill C-219, to establish the Canada Development Corporation.

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

Questions

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

STUDY OF URBAN PROBLEMS

Question No. 77—**Mr. Orlikow:**

1 Is a study on Housing Policy or Urban Problems being conducted on behalf of or under the auspices of the Minister without Portfolio and, if so, what aspects of these problems are being studied?

2. How many people have been hired or are on contract in connection with this study?

3. Who are these people and what are their qualifications?

4. What is the annual salary or remuneration in each case?

5. What will be the total cost of this study?

Hon. Robert K. Andras (Minister without Portfolio): 1. A study of Urban Problems, including housing policy and the impact of federal government activities in urban communities, has been undertaken by the Minister without Portfolio, Responsible for Housing under the auspices of Central Mortgage and Housing Corporation.

2. A study was carried out by Dr. N. H. Lithwick, Professor, Carleton University, with the assistance of members of the staff of Central Mortgage and Housing Corporation, other Federal Government agencies and departments, universities, and other professionals.

3 and 4. These people were hired on a confidential basis. It is not therefore appropriate to divulge their names or the terms of their engagement.

5. The total cost of the study, to November 30, 1970, was $121,210.02, excluding costs attributable to the staff of Central Mortgage and Housing Corporation and other Federal government agencies.

BRIDGEWATER, N.S.—FEDERAL BUILDING

Question No. 162—**Mr. Crouse:**

1. Has any progress been made in acquiring a site for a new federal building at Bridgewater, Nova Scotia?

2. On what date is it anticipated a site will be acquired?

3. After acquisition of a site, on what date does the government plan construction of a federal building?

Hon. Arthur Laing (Minister of Public Works): 1 and 2. The site investigation is still in progress.

3. It is not possible to set a target date for the construction of the building until a site has been acquired.

URBAN RENEWAL PLANS

Question No. 209—**Mr. Gilbert:**

1. For the present fiscal year, what urban renewal plans have been submitted to the federal government?

2. Which plans have been (a) approved (b) not approved?

Hon. Robert K. Andras (Minister without Portfolio): 1. For the period January 1 to September 30, 1970, (the Corporation's fiscal year is the calendar year), the following applications for urban renewal projects under Section 23B of the National Housing Act were received by Central Mortgage and Housing Corporation: Corner Brook, Newfoundland; Moncton, New Brunswick; Hamilton and Kitchener, Ontario; Winnipeg, Manitoba—Midland Railway and Theatre Centre Area; Kamsack, Saskatchewan; Calgary, Alberta.

2. (a) All the applications listed in 1 above have been approved. (b) Nil.

PUBLIC WORKS—CONFEDERATION BUILDING, OTTAWA

Question No. 299—**Mr. Paproski:**

1. Were tenders called for contract CR-67-2702 to cover general alterations to the Confederation Building and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, what was the reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

Hon. Arthur Laing (Minister of Public Works): 1. Yes, (a) Seven tenders were received. (b) Highest tender, 188,000., lowest tender, $153,500. (c) Lowest tender. (d) Public advertisement: Newspapers—Montreal, Toronto, Ottawa and Hull; La Voix de la Construction, Montreal; Daily Commercial News Toronto; Heavy Construction News, Toronto.

2. Not applicable.

3. M. J. Lafortune Construction Limited.

4. (a) and (b), (i) $4,668.90, Ingram and Pye, Architects. (ii) None. (iii) to (x) In very few cases does the Department require the General Contractor to list on the tender form all the names of the subcontractors they propose using. A cost breakdown by trades, as provided by the General Contractor, is attached including the names of those trades which were required to be listed.

5. and 6. The contractual arrangements are directly between the Department and the General Contractor. Consequently the matter of performance bonds and insurance for subcontractors is the sole responsibility of the General Contractor.

Cost Breakdown by Trades—General Alterations to Confederation Building—Contract N.C.R.—67-2702: General, $3,994; Electrical, $69,000; Drywall, plaster and lath, $14,600; floor tile, $800; glazing, $818; painting, $40,200; hardware, $3,911; venetian blinds, $8,908; carpentry, $11,269.

GROS MORNE NATIONAL PARK—MINING EXPLORATIONS

Question No. 426—**Mr. Marshall:**

Has the Province of Newfoundland agreed to dispense with further mining exploration in the proposed area within the boundaries of the Gros Morne National Park?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes.

ESTABLISHMENT OF NATIONAL PARKS

Question No. 427—**Mr. Marshall:**

1. Has the Minister of Indian Affairs and Northern Development recommended to the Government of Canada the establishment and development of (a) the Gros Morne National Park (b) a National Historic Park at the Viking Site at L'Anse aux Meadows (c) a National Historic Park at Port-aux-Choix?

2. Has the Government of Canada unequivocally agreed to establish and develop (a) the Gros Morne National Park (b) a National Historic Park at the Viking Site at L'Anse aux Meadows (c) a National Historic Park at Port-aux-Choix?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. (a) Yes; (b) yes; (c) See 1 (b).

2. (a) Yes, conditional upon an amendment to the National Parks Act. (b) See 1 (b); (c) See 1 (b).

GROS MORNE NATIONAL PARK—HOLDERS AND CLAIMANTS OF LAND

Question No. 428—**Mr. Marshall:**

Who are the holders or claimants of land within the boundaries of the Gros Morne National Park?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): The Government of Newfoundland and Labrador will acquire the lands and transfer the administration and control to the Federal Government. The Department of Indian Affairs and Northern Development does not have a record of all holders or claimants of land.

GROS MORNE NATIONAL PARK—ESTABLISHMENT OF BOUNDARIES

Question No. 429—**Mr. Marshall:**

1. Are the boundaries of the Gros Morne National Park definitely established and, if not, what factors may affect the present boundaries shown on the map attached to the memorandum of agreement?

2. Has any money been allocated in the 1969/70 estimates to establish and develop the Gros Morne National Park, and, if so, what is the breakdown of expenditures in 1969/70, 1970/71, 1971/72, 1972/73, 1973/74, 1974/75?

3 For what purposes is the money allocated in each year?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The external boundaries have definitely been established. Minor adjustments will be made by joint agreement if necessary. The details of the boundary related to the underwater environment remain by mutual agreement to be finalized.

2. Actual Expenditure, 1969-70, $43,800 for land survey and investigation. Until, a master plan for the park has been prepared, it is not possible to present figures on the scope and pace of development.

3. The master plan is under way and it would be premature to give specific recommendations at this time.

GROS MORNE NATIONAL PARK—PROPOSED ROADS

Question No. 430—**Mr. Marshall:**

1. What proposed roads are to be established within and outside the Gros Morne National Park boundaries?

2. Is it proposed to build a paved highway between Deer Lake and Bonne Bay as part of the program to establish and develop the Gros Morne National Park?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Preliminary plans were developed, however, as mentioned in reply to question 429, it would prejudge the master plan to give specific descriptions at this time.

2. This proposal was not specifically included in the letter of agreement signed by the Minister of Indian Affairs and Northern Development and the Minister of Mines, Agriculture and Resources for the Province of Newfoundland and Labrador.

ESTABLISHMENT OF NATIONAL PARKS

Question No. 431—**Mr. Marshall:**

1. What is the proposed program for the next five years in the establishment of (a) the Gros Morne National Park (b) the L'Anse aux Meadows Park (c) the Port-aux-Choix Park?

2. What are the approximate dates of work start on the three proposed Parks?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. As noted in reply to question No. 429 funds have been allocated, however, it is premature to outline specific activities.

2. It is proposed to initiate on site work at Gros Morne and L'Anse aux Meadows Parks in the 1971-72 fiscal year. A further development program will be developed in relation to Port-aux-Choix Park. Studies are required in relation to the total potential of the site.

NATIONAL PARKS—ESTABLISHMENT OF BOUNDARIES

Question No. 432—**Mr. Marshall:**

Are the proposed boundaries of the proposed National Historic Park at the Viking Site at L'Anse aux Meadows and at Port-aux-Choix defined?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): A tentative boundary has been agreed upon with regard to l'Anse aux Meadows. Details remain to be finalized with regard to Port-aux-Choix.

DIRECTORS OF COMPANIES WITH EXPLORATION RIGHTS IN NATIONAL PARKS

Question No. 433—**Mr. Marshall:**

1. Who are the directors of companies and what are their occupations who hold exploration rights within the boundaries of the Gros Morne National Park?

2. Who are the directors of companies and what are their occupations who hold exploration rights within the boundaries of the Parks at L'Anse aux Meadows and Port-aux-Choix?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Information required in rela-

tion to the question has not been obtained by the Department of Indian Affairs and Northern Development. The lands and resources are under provincial jurisdiction. Administration and control will be transferred to the federal government clear of any encumbrance.

2. See 1 above.

NEWFOUNDLAND—RECREATIONAL FACILITIES IN NATIONAL PARKS

Question No. 434—**Mr. Marshall:**

1. In the negotiations to be carried out with regard to the establishment of a golf course at one of Newfoundland's National Parks, which Parks are being considered for this facility?

2. At which Park will be developed (a) a heated swimming pool (b) a tennis court?

3. Where is the location of the marine environment area to be developed as an underwater component of the proposed National Park or Parks?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Gros Morne and Terra Nova National Parks.

2. These facilities will be developed in conjunction with Gros Morne National Park.

3. By mutual agreement this remains to be defined in relation to the Gros Morne National Park.

NEWFOUNDLAND—CONSTRUCTION OF HIGHWAY AND AIRPORT FACILITIES

Question No. 435—**Mr. Marshall:**

1. Has the Government of Canada agreed with the Province of Newfoundland to build an all-weather highway between Deer Lake and St. Anthony in Western Newfoundland as proposed in the White Paper presentation of the Province?

2. Has the Government of Canada agreed to establish airport facilities in the North West Coast of Newfoundland and in Labrador as proposed in the White Paper as presented by the Province?

3. Where are the proposed locations of these airport facilities?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. This proposal is under consideration but was not specifically referred to in the letter of agreement signed by the Minister of Indian Affairs and Northern Development and the Minister of Mines, Agriculture and Resources for Newfoundland and Labrador.

2. See 1 above.

3. See 1 above.

NEWFOUNDLAND—WHITE PAPER PROPOSALS CONCERNING WEST COAST

Question No. 436—**Mr. Marshall:**

1. What proposals in the White Paper presented by the Province of Newfoundland in the development of the West Coast were accepted by the Government of Canada?

2. Was the Memorandum of Agreement respecting a proposal for the establishment of a National Park and two Historic Parks on the West Coast of Newfoundland signed by the Minister of Indian Affairs and Northern Development on behalf of the Government of Canada?

[Mr. Chrétien.]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Portions of the paper are still under consideration. The Government of Canada considers the White Paper to represent the views of the Newfoundland Government and will continue to give these views consideration.

2. Yes.

NEWFOUNDLAND—PROTECTION FOR FISHERMEN

Question No. 437—**Mr. Marshall:**

In the specific areas to be designated to provide landings and staging areas between Rocky Harbour and St. Paul's, will the Federal Member for the district of Humber-St. George's-St. Barbe be consulted in order to ensure protection for fishermen?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): The Department of Indian Affairs and Northern Development would be pleased to receive any submissions the federal member for the district of Humber-St. George's-St. Barbe may wish to submit on behalf of the fishermen.

GROS MORNE NATIONAL PARK—EMPLOYMENT OF PERSONNEL

Question No. 438—**Mr. Marshall:**

1. What are the necessary qualifications of the 22 full-time employees for the Gros Morne National Park and also for the 30 seasonal employees?

2. Will all permanent employees required for the Gros Morne National Park be enlisted from the immediate area?

3. Are any arangements being made to prepare applicants for jobs requiring special qualifications within the Gros Morne National Park?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The employees would include labourers, gate-way attendants, clerks, typists, maintenance officers, equipment operators, naturalists, resource management specialists, administrative officers, etc. The qualifications vary greatly, however; while in some fields it may be necessary to staff positions from outside the area the Department will work closely with Canada Manpower to train and develop the local human resources to the fullest. See also Question 2.

2. It is a policy of the Department to recruit qualified personnel in accord with the Public Service Employment Act. When feasible local people are retained.

3. A letter of intent was signed on October 31, 1970. It is planned that arrangements will be discussed with the Government of Newfoundland and Labrador as well as with the Canada Manpower Centre.

GROS MORNE NATIONAL PARK—PREVENTION OF POLLUTION

Question No. 439—**Mr. Marshall:**

Are any studies being made to introduce measures to ensure prevention of pollution where necessary within the boundaries of the Gros Morne National Park?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): These will be initiated in due course.

GROS MORNE NATIONAL PARK—RELOCATION OF COMMUNITIES WITHIN BOUNDARIES

Question No. 440—**Mr. Marshall:**

Will any relocation of communities within the boundaries of the Gros Morne National Park be necessary and, if so (a) which ones (b) what plans are being made to consult with citizens of these communities as to their future?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): The relocation of communities will be carried out by the Provincial Government. Details remain to be finalized. As illustrated by the map attached to the Memorandum of Intent Bakers Brook, Green Point and Sally's Cove are the principal communities involved.

"BLACK PAPER" PUBLICATION

Question No. 458—**Mr. Robinson:**

Does the government subscribe to the policy expressed in the "Black Paper" publication?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The recent publication "Foreign Policy for Canadians" includes, in the volume dealing with the United Nations, a chapter on Canadian objectives in southern Africa which sets forth Government policy. Since the publication was issued, the Government has decided to comply with the Security Council's resolution of July 23 elaborating on the arms embargo against South Africa. This decision was announced to the House of Commons on November 2. Some of the recommendations set out in the document known as the "Black Paper" refer to measures already adopted by the Government.

INCOME TAX

Question No. 503—**Mr. Rodrigue:**

1. In what year was the first income tax system established in Canada?

2. What were the taxation rates at that time?

3. What were the basic exemptions?

Hon. Herb Gray (Minister of National Revenue): 1. In the 1917 session of Parliament the Income War Tax Act imposed the first general income tax in Canada. The provisions applied to 1917 income.

2 and 3. The rate of normal tax which applied at that time to individuals was 4 per cent on the amount of income over $1,500 in the case of unmarried persons or of widows or widowers without dependent children, or over $3,000 in the case of all other persons. (Exemptions were lowered in 1918 to $1,000 single and $2,000 married.) In addition to the normal tax, a supertax was also levied, progressing from 2 per cent on the amount of income over $6,000 but not over $10,000 up to 25 per cent on the amount of income over $100,000.

APPLICATIONS FOR TAX EXEMPTIONS FILED BY TEACHERS AND PROFESSORS

Question No. 539—**Mr. Forrestall:**

With respect to Bulletin 41 issued by the Department of National Revenue establishing tax exemptions for teachers and professors on a two year basis, how many applications and in what specific categories (a) have been accepted (b) are under consideration?

Hon. Herb Gray (Minister of National Revenue): The information requested is not available as there is no separate record kept specifically of the applications for tax exemption filed by teachers and professors with their employers in accordance with Bulletin 41. The tax exemption in question is not established by that Bulletin but rather by reciprocal income tax agreements or conventions between Canada and the other countries named in the Bulletin.

INSECTICIDES CONTAINING LINDANE

Question No. 548—**Mr. Anderson:**

Are insect killers which use the toxic chemical lindane available for commercial or household use in Canada and, if so, have any tests been made by the Department of National Health and Welfare on the effects of this chemical when inhaled or ingested by humans?

Hon. John C. Munro (Minister of National Health and Welfare): Insecticides containing lindane are available in Canada. While toxicological studies on lindane have not been carried out in the laboratories of the Department of National Health and Welfare, a complete review of the scientific literature dealing with the toxicity of this compound has been made. On the basis of these data it has been possible to establish tolerances for lindane in a number of foods at levels which will cause no harmful effects even if the foods are consumed over an entire lifetime.

COMPENSATION PAID TO FISHERMEN AS A RESULT OF MERCURY POLLUTION

Question No. 589—**Mr. Korchinski:**

1. How much money was paid to each province for distribution to fishermen in compensation as a result of mercury pollution?

2. How many fishermen were involved in each case?

3. What areas were affected?

4. Is it the intention of the government to continue paying compensation on an annual basis during the contamination period?

5. Have any requests been made by any province for compensation to fishermen for other than mercury pollution and, if so (a) was any compensation paid (b) what amounts were paid in each case?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. Ontario, $84,398.00; Manitoba, $772,242.18.

2. Ontario, 39; Manitoba, 998.

3. Lake St. Clair, Lake Winnipeg, Cedar Lake, Saskatchewan River System, Lake Sipiwisk, Split Lake.

4. The initial arrangements to provide for the payment of compensation to fishermen were intended to be temporary in nature. Consideration is now being given to a more long-term solution but no decision has been made on the question of the payment of compensation on a continuing basis.

5. No.

Questions

INCOME TAX PAID BY SASKATCHEWAN FARMERS

Question No. 595—**Mr. Thomson:**

What was the income tax paid by Saskatchewan farmers in 1965, 1966, 1967, 1968 and 1969?

Hon. Herb Gray (Minister of National Revenue): The annual analysis of tax returns which is based on a statistical sample indicates the following amounts of total tax payable by Saskatchewan farmers. The figure includes federal income and old age security tax and provincial income tax payable:

Taxation year	Total tax payable
1965	$27,040,000
1966	28,914,000
1967	36,645,000
1968	27,704,000
1969	Not available

Source: Taxation Statistics, editions of 1967, 1968, 1969, 1970—Table 9.

EXTERNAL AFFAIRS—MAN-HOURS SAVED AS A RESULT OF UTILIZATION OF COMPUTERS

Question No. 597—**Mr. Robinson:**

How many man-hours have been saved as a result of the utilization of computers by the Department of External Affairs during each year since computers have been used?

Hon. Mitchell Sharp (Secretary of State for External Affairs): There have been no direct man-hours saved as a result of the utilization of computers by the Department of External Affairs. The use of computers has provided reports which either would not have been available at all, or which would not have been sufficiently current to be effective, if other methods had been used to prepare them.

EXTERNAL AFFAIRS—CHANGE IN PERSONNEL AS A RESULT OF USE OF COMPUTERS

Question No. 598—**Mr. Robinson:**

As a result of the use of computers by the Department of External Affairs, how many employees have been (a) laid off (b) hired?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The Department of External Affairs has neither laid off nor hired employees as a result of the use of computers by the Department.

STRONTIUM-90 LEVEL IN CANADA

Question No. 609—**Mr. Forrestall:**

By region in Canada, what was the strontium-90 level at the end of September 1960, 1965 and 1970?

Hon. John C. Munro (Minister of National Health and Welfare): The strontium-90 level in Canada, as measured by its level in milk, was as follows:

	Picocuries of Strontium-90 per Litre of Milk		
	Sept. '60	Sept. '65	Sept. '70
British Columbia	10.8	20.0	9.0
Prairie Provinces	8.6	20.5	8.7
Ontario	4.2	20.2	9.7
Quebec	13.3	20.0	9.6
Maritime Provinces	11.6	28.2	13.8
Newfoundland	no test	40.4	30.5

PUBLIC WORKS—BUILDING CONSTRUCTION IN SASKATCHEWAN

Question No. 612—**Mr. Korchinski:**

1. At what locations were Public Works buildings constructed in the Province of Saskatchewan in 1970?
2. What was the type of structure and the cost in each case?

Hon. Arthur Laing (Minister of Public Works): 1 and 2.

Location	Type of Structure	Cost
Bienfait	Post Office	$33,000
Fort Qu'Appelle	Federal Building	88,500
Govan	Federal Building	28,400
Kenaston	Post Office	28,600
Kisbey	Post Office	24,145
Tisdale	Federal Building	180,000
Wynyard	Federal Building	141,200

FEDERAL GRANT TO NATIONAL CANCER INSTITUTE

Question No. 618—**Mr. Thomson:**

1. Has the grant to the National Cancer Institute been reduced and, if so, for what reason?
2. What are the government's plans for this grant this coming year?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Yes, federal assistance from the National Health Grant to the National Cancer Institute was reduced from $350,000 for the fiscal year 1969-70 to $250,000 in 1970-71. The National Health Grant is intended to support short-term projects (applied research, demonstration and training) designed to stimulate and develop improvements in health services. Support for individual projects normally does not exceed a period of three years. This grant is not intended to provide annual blocks of funds in support of continuing activities.

2. The "block grant" to the National Cancer Institute from the National Health Grant will be further reduced in 1971-72 for the reason stated above. However, the N.C.I. or research investigators supported by N.C.I. may submit applications for support on a project basis under the National Health Grant, the Public Health Research Grant, or to the Medical Research Council. Thus, the reduction in assistance from the National Health Grant need not represent a reduction in the level of government fund available for cancer research, but rather re-

flects a shift from the "block grant" approach to the "specific project" approach.

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE—COMPOSITION OF BOARD

Question No. 620—**Mr. Godin:**

Is the Board of the International Development Research Centre composed of ten English speaking Canadian members, ten foreigners and only one French Canadian member and, if so, is it the intention of the government to appoint other French Canadian members to the Board?

[*Translation*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): The Board of Governors of the International Development Research Centre is composed of a Chairman, The Right Honourable Lester B. Pearson, the President of the Centre, Dr. W. David Hopper, and 19 other Governors. In accordance with the provisions of the International Development Research Centre Act, the Chairman, Vice-Chairman and nine other Governors must be Canadian citizens. Two of the Canadian Governors, Dr. Louis Berlinguet and Mr. Paul Gérin-Lajoie, are French-speaking Canadians. Dr. Berlinguet is both Vice-Chairman of the Board of Governors and Chairman of the Executive Committee of the Board.

The present 21 Governors is the maximum number of Governors provided under the IDRC Act and, therefore, no additional appointments are contemplated at the present time. However, the terms of several of the present Governors are of two years duration. It will be possible, therefore, to appoint a larger number of French-speaking Canadians to the Board in 1972.

[*English*]

ENFRANCHISEMENT OF INDIAN WOMEN

Question No. 651—**Mr. Howard (Skeena):**

1. Since January 1, 1965, has it come to the attention of the government that any Indian women have married persons who are not Indians and, if so, has any such woman not been enfranchised as that process has been given meaning by virtue of section 108(2) of the Indian Act and, if so, what reasons were accepted by the government for not enfranchising each such woman?

2. On what date was the policy decision made not to so enfranchise?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. During the period January 1, 1965 to January 1, 1970, there were 2,597 Indian women recorded as having married persons who are not Indian. 2,345 of the above noted women were enfranchised. There were 489 similarly enfranchised between January 1, 1970 to November 24, 1970. Enfranchisement of the remainder is held up pending the verification of form providing the details of their marriages.

2. There was no change in policy respecting the enfranchisement of Indian women who marry non-Indian.

BELLECHASSE CONSTITUENCY—FEDERAL ASSISTANCE TO SAINT-MAGLOIRE HOME

Question No. 660—**Mr. Lambert (Bellechasse):**

Has the government contributed financially to the construction of the Saint-Magloire Home in the Saint-Magloire parish, constituency of Bellechasse and, if so (a) what amount (b) on what terms?

Hon. Robert K. Andras (Minister without Portfolio): (a) and (b). Central Mortgage and Housing Corporation made a loan of $251,910 in December 1968 to assist in financing the construction of Saint-Magloire Home in Bellechasse County, the loan being repayable over a term of 50 years at an interest rate of 6⅞ per cent.

BELLECHASSE CONSTITUENCY—FEDERAL ASSISTANCE TO SAINT-RAPHAËL HOME

Question No. 661—**Mr. Lambert (Bellechasse):**

Has the government contributed financially to the construction of the Saint-Raphaël Home in Saint Raphaël in the constituency of Bellechasse and, if so (a) what amount (b) on what terms?

Hon. Robert K. Andras (Minister without Portfolio): (a) and (b). Central Mortgage and Housing Corporation made a loan of $290,400 in June, 1965, to assist in financing the construction of the Saint-Raphaël Home in Bellechasse County, the loan being repayable over a term of 50 years at an interest rate of 5⅜ per cent.

BELLECHASSE CONSTITUENCY—FEDERAL ASSISTANCE TO SAINT-GERVAIS INC. HOME

Question No. 662—**Mr. Lambert (Bellechasse):**

Has the government contributed financially to the construction of the Saint-Gervais Inc. Home in Saint-Gervais constituency of Bellechasse and, if so (a) what amount (b) on what terms?

Hon. Robert K. Andras (Minister without Portfolio): (a) and (b) Central Mortgage and Housing Corporation made a loan of $258,300 in October, 1967, to assist in financing the construction of the Saint-Gervais Inc. Home in Bellechasse County, the loan being repayable over a term of 50 years at an interest rate of 6¼ per cent.

TREASURY BOARD—LIST OF MEMBERS

Question No. 684—**Mr. Knowles (Winnipeg North Centre):**

Who are the members of the Treasury Board and, on what date did each of those who now comprise the Treasury Board become members thereof?

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Pursuant to Order-in-Council PC 1971-64 dated January 14, 1971, the following members of the Queen's Privy Council for Canada, in addition to the President of the Treasury Board and the Minister of Finance, constitute the Treasury Board: Hon. Jean-

Pierre Côté; Hon. Jean Chrétien; Hon. Jack Davis; Hon. Herb Gray.

Further, the following members of the Queen's Privy Council for Canada have been named alternates to serve in place of members of the Treasury Board: Hon. Arthur Laing; Hon. Gérard Pelletier; Hon. Ron. Basford; Hon. Robert Andras; Hon. James Richardson; Hon. Jean-Pierre Goyer.

INCREASE IN SUPPORT PRICES FOR DAIRY PRODUCTS

Question No. 692—**Mr. Caouette:**

Does the government intend to announce in the near future an increase of support prices for powdered milk and cheese to further help dairy producers?

Hon. H. A. Olson (Minister of Agriculture): If and when there are any changes in support prices for dairy products, they will be announced in the usual way.

AUDITOR GENERAL'S OFFICE PUBLICATION "AUDIT OFFICE GUIDE"

Question No. 732—**Mr. Fortin:**

1. Is there a French version of the booklet "Audit Office Guide" Cas. No. FA 3.-258 and, if not, for what reason?

2. Among those who earn $10,000 and over in the office of the Auditor General, how many (a) speak English only (b) speak French only (c) are bilingual?

Hon. E. J. Benson (Minister of Finance): The Auditor General informs me as follows: 1. No, presumably because there was no demand for it when the Audit Office Guide, which is now out of print, was released in 1958.

2. (a) 122; (b) none; (c) 30.

OFFICE OF THE AUDITOR GENERAL

Question No. 734—**Mr. Fortin:**

1. In the Office of the Auditor General of Canada, is there an administrative division specifically concerned with the auditing of the financial activities of government agencies and, if so (a) as of what date (b) under what authority was this division established (c) what are its specific terms of reference?

2. How many persons are there in this division?

3. Do government agencies pay for the auditing and, if so, on what basis?

Hon. E. J. Benson (Minister of Finance): The Auditor General informs me as follows: 1. No. (a) Not applicable; (b) Not applicable; (c) Not applicable.

2. Not applicable.

3. No.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

CMHC—THISTLEDOWN PROJECT CONTRACT TERMS

Question No. 208—**Mr. Gilbert:**

1. What were the terms of the contract between CMHC, Ontario Housing Corporation and the developer or developers regarding the federal provincial land partnership for the Thistledown project?

[Mr. Danson.]

2. What are the names of the developers to the said contract?

3. Was the consent of Etobicoke Borough Council a term of the contract with regard to the sale of the lands?

4. Who is the present owner of the 10 acre tract of land at the northeast corner of John Garland Blvd. and Martingrove Road in the Borough of Etobicoke, Ontario?

5. Who was the former owner of the above land?

6. Has the above land been sold to J. D. S. Developments Limited and Pinetree Developments Limited, or either of them, or to any other purchaser and what was the date of sale and what were the terms of the sale and the consideration paid?

7. Were there any conditions in the agreement of purchase and sale requiring consent of the Borough of Etobicoke and, if so, what were those conditions?

8. Were the said lands originally projected by CMHC to be used for vital community and social purposes?

9. Has CMHC made any recent studies with regard to the use of the lands for social and community services?

10. Has the Minister or CMHC received a request from Etobicoke Borough Council for a meeting of all interested parties to attempt to secure agreement on the best use of the said land?

11. Does CMHC still retain title to the said property, and have they the power to cancel the agreement of sale between them and any other contracting parties?

Return tabled.

PUBLIC WORKS—ALTERATIONS TO LANGUAGE CENTRE, CARSON'S ROAD, OTTAWA

Question No. 325—**Mr. Paproski:**

1. Were tenders called for contract OC-03140—Additions and Alterations to Building "E", and site services, Phase 2, The Language Centre, Carson's Rd. and, if so (a) what was the number of bids received (b) what was the highest and what was the lowest (c) what bid was accepted (d) how was the notice of tender publicized?

2. If no tenders were submitted, for what reason?

3. Who was awarded the contract?

4. If the Department of Public Works executed the contract (a) what was the cost of (i) architectural supervision (ii) engineering supervision (iii) excavation (iv) foundation (v) super structure roofing contractor and concrete supplier (vi) masonry construction (vii) interior divisions plastering and interior finish partition (viii) heating and air conditioning (ix) electrical wiring (x) plumbing and heating (b) by whom was same done?

5. Who was the bonding company for sub contracts?

6. With whom was the insurance placed for sub trades?

Return tabled.

PUBLIC HEALTH ENGINEERING ADVISORY COMMITTEE

Question No. 506—**Mr. Alexander:**

1. Who are the members of the Public Health Engineering Advisory Committee responsible to the Minister of National Health and Welfare?

2. What are the terms of reference of this Committee?

3. (a) On what date was the Committee established (b) on what date was its first meeting (c) how frequently has it met to date?

4. Have there been any interim reports on the work of this Committee?

Return tabled.

FARM CASH RECEIPTS IN PAST TEN YEARS

Question No. 606—**Mr. Korchinski:**

1. In each of the past ten years, what were the total farm cash receipts for wheat, oats, barley, rye, flax and rapeseed in the Wheat Board area?

2. In the same period of time, what amount of money was paid under the Temporary Wheat Reserves Act?

Return tabled.

CMHC—FINANCIAL ASSISTANCE IN THE CONSTRUCTION OF LOW-COST HOUSING

Question No. 622—**Mr. Alexander:**

1. (a) How many different projects received financial assistance from the $200 million fund allocated to CMHC in 1970 for the purpose of encouraging innovative approaches in the construction of low-cost housing (b) where were they located?

2. Which construction companies were involved in these projects?

3. (a) In which cases does CMHC expect to make a profit from the operations of projects for which it has provided, through the renting of commercial space or other means (b) what use will be made by CMHC of these funds?

4. How will tenants be chosen for these projects in which CMHC has an interest?

5. What innovations were submitted and accepted?

Return tabled.

CMHC—MORTGAGE FORECLOSURES 1968-70

Question No. 655—**Mr. Fortin:**

By province, during the years 1968, 1969, 1970, were seizures made by CMHC and, if so, how many were (a) as mortgage foreclosures (b) as lapse of sale?

Return tabled.

ORAL QUESTION PERIOD

PUBLIC SERVICE

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Acting Prime Minister relating to the program the federal government is now organizing to provide $2 million for the purpose of hiring unemployed Francophone university and college graduates this year. I should like to ask him whether there is any justification for the government keeping this program secret from the Public Service Alliance, Parliament and the people of Canada?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, it was not the intention to keep this program secret. Indeed, in answer to the question I should like to table a copy of a statement made today by my colleague, the President of the Treasury Board, dealing with this question.

An hon. Member: Why didn't he make it in the House?

Mr. Diefenbaker: He should have made it in the House. He is running away today.

Mr. Speaker: Order, please. Of course the Acting Prime Minister can only table the document with the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Stanfield: Mr. Speaker, since the Acting Prime Minister says it was not intended that this program be kept secret, can he give the House some explanation of why the document circulated by the Public Service Commission of Canada contained the note: "This information is confidential and no official announcement will be made"? Has the Acting Prime Minister any explanation to give in that regard?

Mr. Sharp: Mr. Speaker, I believe that an explanation can be given and I suggest that when the President of the Treasury Board is here tomorrow these questions should be directed to him. The reason he made a statement to the press is that the press had been asking him questions and he felt, therefore, that he should not delay his answer.

Mr. Diefenbaker: He has run away from the House.

Mr. Stanfield: Mr. Speaker, I should like to ask the Acting Prime Minister whether it is now the policy of the government of Canada to develop employment projects in the Public Service designed to assist specific language groups and, if so, where the parliamentary authorization exists for such projects?

Mr. Sharp: Mr. Speaker, I think the answer given publicly by the President of the Treasury Board, which my hon. friend apparently does not want to see, does deal with some of these questions.

An hon. Member: It does not deal with it.

Mr. Sharp: I suggest that questions can be put quite properly tomorrow and that the delay will not make any difference.

Mr. MacDonald (Egmont): Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: Order, please. I believe the hon. member for Egmont is rising on a question of privilege.

Mr. MacDonald (Egmont): I suggest to Your Honour, Sir, and to hon. members that the House is now in danger of establishing a very unhealthy precedent in view of the fact that this important question has come to light and that ministers of the government feel they are not able to express themselves other than on days when they are supposed to be in the House under an informal system which has in no way been recognized by Your

Honour or members of this House. Therefore I think the answers of the Acting Prime Minister must be considered most inappropriate and unparliamentary, and that hon. members have the right to hear now from the President of the Treasury Board rather than being asked to wait for 24 hours during which time the misister is free to make whatever statement he wants, whenever he wants, to the public at large.

Some hon. Members: Hear, hear.

REQUEST FOR TABLING OF MEMORANDUM, "SPECIAL RECRUITMENT OF FRANCOPHONES IN THE PUBLIC SERVICE"

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Acting Prime Minister whether he will table a copy of the memorandum entitled "Special recruitment of Francophones in the Public Service" in order that we may have it before us officially?

Hon. Mitchell Sharp (Acting Prime Minister): Yes, Mr. Speaker, I will undertake to do that.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—SOURCE OF FUNDS

Mr. A. D. Hales (Wellington): Mr. Speaker, as approximately $2 million is involved in this program, will the Acting Prime Minister advise the House from what vote that money is being taken?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, this amount of money relates to next year and has not yet been allocated to any specific program. It is not a fund; rather it is an estimate of the staffing costs of departmental proposals to increase Francophone recruitment.

[Later:]

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—CONCEALMENT OF EXPENDITURES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I return to the questions intitially asked by the Leader of the Opposition. I would like to ask the Acting Prime Minister whether he has discussed this matter with the President of the Treasury Board and what explanation there is for the fact that the President of the Treasury Board denied flatly the existence of the program when confronted with the confidential memo? Is it now possible for $2 million to be expended without the President of the Treasury Board knowing anything about it? At the same time, when the minister is giving his answer, will he let the House know whether there are some orders and directions for expenditure that have been made since the first day of March, 1970, which have not yet been made public or indeed have been kept secret?

Hon. Mitchell Sharp (Acting Prime Minister): The right hon. gentleman, having been the head of a government and having been in this Parliament longer than anyone else, certainly knows that the government would not be promising to spend any money that had not been approved by parliament.

Some hon. Members: Oh, oh!

Mr. Sharp: The so-called secret plan referred to in the press is actually a study being carried out by officials with a view to further progress toward the goal of greater Francophone recruitment by determining how additional Francophones might be brought into the service and meaningfully employed within departmental programs. Knowing the right hon. gentleman's interest in the subject, I am quite sure he would approve.

Mr. Diefenbaker: The hon. gentleman's evasiveness has become so characteristic as not to arouse any surprise. Now I ask him whether or not he will answer the question I asked, whether, during the period since March 1, there has been concealment of expenditures by the government of Canada? I particularly direct his attention to the fact that a memo providing for the expenditure of $190,000 for the answering of letters in respect of the white paper on taxation was concealed from parliament and it has not yet been made public.

Mr. Speaker: Order, please.

Mr. Sharp: Quite clearly no money can be expended out of next year's estimates until they have been approved by parliament, and I hardly need to give any undertaking that if any of these plans do go through they will be brought before parliament for approval.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—OFFER TO TABLE MEMORANDUM—RECONCILIATION WITH STATEMENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Acting Prime Minister whether the House of Commons will be given a reconciliation between the statement made by the President of the Treasury Board in which he denied the existence of the program and the fact that today the Acting Prime Minister offers to table a copy of the memorandum?

Hon. Mitchell Sharp (Acting Prime Minister): Yes, Mr. Speaker, and I understand that the chairman of the Public Service Commission may also be making a statement today because it is most desirable that this situation be clarified. It seems to have been based on some misunderstanding.

Mr. Diefenbaker: Some falsification by the government.

Mr. Sharp: Certainly there was never any intention on the part of anyone concerned to conceal anything from parliament or from anyone else.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): In view of the statement of the Acting Prime Minister that the government would like to see this matter cleared up, would the government like to reconsider its position with regard to the motion I made today under Standing Order 43 and let the matter be referred to a committee of the House?

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—ACTION TO STIMULATE ECONOMY GENERALLY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Acting Prime Minister if the government is prepared to adopt a program designed to stimulate the economy so that it would be unnecessary to offer special projects for particular groups?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think there is some misunderstanding involved here. The program that has been under study is not directly related to the question of unemployment.

Mr. Diefenbaker: No?

Mr. Sharp: It is related more to the desire of the government, which I am sure is shared by the opposition, that the balance between Francophone and Anglophone people within the Public Service should be restored to something more representative of the population.

Some hon. Members: Hear, hear!

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—STATEMENT BY PRESIDENT OF PUBLIC SERVICE ALLIANCE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I am sure the Acting Prime Minister has given some study to this matter. Has he read the statement by the Public Service Alliance and the words of Mr. Edwards, "we would like to know how long this $2 million slush fund has been earmarked?" Also, I would ask the minister to advise when this plan was first arrived at, and can he give an explanation as to why the President of the Treasury Board on Saturday denied the existence of something that he admits today?

Mr. Speaker: Order, please. The right hon. gentleman obviously is reiterating a question which was asked a moment ago.

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CANADA DEVELOPMENT CORPORATION

ACQUISITION OF CROWN CORPORATIONS—MAJORITY GOVERNMENT INTEREST

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is directed to the Minister of Finance and arises out of a statement he made to the press last Friday concerning the proposed Canada Development Corporation. In view of the fact that according to his statement the government proposes to turn over Crown corporations valued at between $300 million and $400 million to this new body, can the minister give the House assurance that these government enterprises will continue to be owned by all the people of Canada and controlled by the government of Canada free, of course, from any day to day political interference as they are now?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the proposal involved is that the Canada Development Corporation could consider purchasing these corporations from the government of Canada. The legislation, of which I believe my hon. friend now has a copy, provides for consideration of such action in the future by the Canada Development Corporation if and when it is established by this Parliament, in which case legislative action by Parliament would be required before the corporations were turned over to the Canada Development Corporation.

Mr. Douglas (Nanaimo-Cowichan-The Islands): From the statement the minister made last Friday I judge that the capitalization is to be $1 billion. May I take from his statement that the government will have a majority interest on the basis of both the $250 million which is to be invested and the securities which it will receive in exchange for the Crown corporations?

Mr. Benson: Actually the capitalization is $2 billion, if my friend will look at the statement. The proposal is that in the initial period the government will own all the shares of the Canada Development Corporation. The proposal for investment of $250 million, which is put forward in the legislation, is quite apart from Crown corporations to be turned over for equity, if this is decided by Parliament, in addition to the government investing $100 million in equity in the first year and $75 million in equity in each of the two following years for a total of $250 million, with power provided in the legislation for lending up to an amount of $100 million in addition to the Canada Development Corporation.

Mr. Douglas (Nanaimo-Cowichan-The Islands): That is the main point I was asking about. Does the government envisage, at whatever time it decides to sell shares in the proposed corporation, that the government itself will maintain a majority equity position vis-à-vis the Canada Development Corporation?

Mr. Benson: Mr. Speaker, it is very difficult to analyse the whole of the legislation at this point, but it is indicated that for quite some time the government will have all the shares in the Canada Development Corporation. Ultimately shares will be offered for purchase. I think my friend will find that the legislation provides that only Canadians may own these shares, that no Canadian may own more than 3 per cent, and that the government's ownership in the over-all corporation ultimately could not be reduced to a point below 10 per cent.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Edmonton West, but I think I should caution the House that we should not have a debate on an item which is now before the House. To some extent we would be anticipating an order of the day. However, I recognize that the hon. member for Nanaimo-Cowichan-The Islands has asked pertinent questions, and the hon. member for Edmonton West should have the same privilege.

Inquiries of the Ministry

RELATIONSHIP OF LEGISLATION TO REPORT ON FOREIGN OWNERSHIP OF CANADIAN COMPANIES

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Finance. Would the minister say that the theme, shall we say, of this legislation, the maintenance of strong Canadian control of companies in the private sector, is a reflection of the report that will be brought forward by the Minister of National Revenue with regard to foreign ownership in Canada? Is this the vehicle that the government of Canada will choose in order to implement whatever recommendations the minister will make in his report?

Hon. E. J. Benson (Minister of Finance): Not at all, Mr. Speaker. I think this legislation stands on its own and will provide an opportunity for the development of Canada, with an opportunity for Canadians to participate in the ownership and development of the resources of Canada.

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[*Translation*]

ADMINISTRATION OF JUSTICE

QUEBEC—FIGHT AGAINST ORGANIZED CRIME

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Justice.

Has he received from his opposite number for Quebec, Mr. Choquette, a request for federal government legislation or powers enabling him to effectively combat the Mafia in the province of Quebec?

Hon. John N. Turner (Minister of Justice): Not as far as I know, Mr. Speaker.

Mr. Laprise: May I ask a supplementary question, Mr. Speaker?

In view of the increase of organized crime in Quebec, does the Minister of Justice intend to take action to ensure that the Criminal Code is enforced as it should be?

Mr. Turner (Ottawa-Carleton): The Criminal Code is a well-known document, Mr. Speaker.

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[*English*]

EXTERNAL AFFAIRS

SALE OF ARMS BY FRANCE TO SOUTH AFRICA—CANADIAN POSITION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In light of reported large new sales of French arms and equipment to South Africa, can the Acting Prime Minister advise if the government of Canada has expressed or will express to the government of France its concern about arms sales to an area which the Prime Minister the other day described as a potential Viet Nam?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I have already expressed in this House and in the United Nations, and I do so again, our opposition to the sale of arms to South Africa, which is in accordance with the resolution of the Security Council on this question. We are urging all countries, without exception, to comply with that resolution.

Mr. Macquarrie: Mr. Speaker, I have read some of the debates at the United Nations. However, can the minister advise if by letter or personal representation the government has expressed its view to France on this very serious matter?

Mr. Sharp: No, I do not think there has been any occasion, Mr. Speaker. The only country to which we have made any representations is a fellow member of the Commonwealth and, as the House well knows, we made those representations of the basis of trying to avoid a rupture in the Commonwealth. I am sure my hon. friend agrees with that. That is the only occasion and the only country to which we have made representations of that kind.

USE BY FRENCH TROOPS OF CANADIAN ARMED FORCES FACILITIES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wish to ask the Acting Prime Minister whether he is now in a position to advise the House on negotiations between Canada and France with respect to the use of Canadian Armed Forces facilities by French troops during the coming summer months?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I shall have to take that question as notice.

Mr. Forrestall: Mr. Speaker, on a question of privilege, this question has been asked several times in the House and we continue to get the same reply. As a supplementary I ask the Acting Prime Minister to take seriously his undertaking to investigate the matter so that the House may have some indication of the relationship between Canada and France with respect to armed forces training.

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CANADA ASSISTANCE PLAN

SUGGESTED INCREASE IN FEDERAL GOVERNMENT'S SHARE OF WELFARE COSTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. In view of the great increases in the costs of welfare being borne by the provinces and the municipalities as a result of the high unemployment existing in the country, is the federal government giving consideration to increasing its share of the cost of welfare that it bears?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, all I can advise the hon. member at this time is that should there be any change in the sharing formula under the Canada Assistance Plan it will be announced as a matter of policy in the House.

REQUEST FOR STATEMENT ON GOVERNMENT INTENTION FOLLOWING MINISTERS' CONFERENCE

Mr. James A. McGrath (St. John's East): As a supplementary question, Mr. Speaker, immediately at the conclusion of his meeting with the welfare ministers from the provinces will the minister make a statement in the House announcing the government's intention with respect to the Canada Assistance Plan?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, although the deliberations at the welfare ministers' conference will probably not be open to the public on a day to day basis, as I indicated previously, there will be opening statements given by the ministers and there will be a closing statement. Therefore the House and the people of Canada will be well aware of the deliberations. But I reiterate that so far as any change in the cost-sharing arrangements under the Canada Assistance Plan is concerned, if indeed there should be such a change, that would be a decision of the federal government that would be announced in the House as a matter of policy.

ABILITY OF PROVINCES AND MUNICIPALITIES TO PROVIDE WELFARE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, is the minister in a position to assure the House that the provinces and the municipalities are able to provide welfare for those who need it, in view of the very alarming increase in the amount of unemployment in this country and the consequential extraordinary rise in the welfare budget requirements of the municipalities and the provinces? Is the minister in a position to assure the House that those responsible for administering these programs in the field are in fact meeting the need and able to meet the need?

Hon. John C. Munro (Minister of National Health and Welfare): Obviously, Mr. Speaker, if there were an incapacity on the part of the provinces and some municipalities to meet the need and the provinces therefore requested reconsideration of this matter, I am sure the government would be pleased to do so.

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MANPOWER

RETRAINING PROGRAM—NUMBER OF APPLICANTS NOT ACCEPTED UNDER PRESENT REGULATIONS—SUMMER EMPLOYMENT FOR STUDENTS

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration. Last week I asked him whether or not, in view of the large numbers of unemployed people who are unable to make use of the present manpower programs, he could indicate to the House the exact number of those who have applied for retraining or training under the programs but because of the regulations were not able to make use of this opportunity, and he indicated he would be prepared shortly to make a statement. Is he now in a position to indicate to the House in short form the exact numbers in this situation, and whether or not the government is prepared to make any changes in the present regulations?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, following our exchange a day or so ago in the House I did make inquiries. I do not yet have a report on whether there are any meaningful figures available.

Mr. MacDonald (Egmont): Mr. Speaker, in view of the increasing concern with respect to the numbers of students who will be unemployed during the coming summer, will the minister shortly be able to indicate to the House the kind of programs that will be operating, in view of the difficulties with last year's program for unemployed students?

Mr. Lang: Mr. Speaker, as soon as a decision is taken it will be made known, but I cannot put a precise date on when that may be.

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GRAIN

PRODUCTION AND RECEIPTS POLICY—REQUEST FOR BACKGROUND PAPERS—CONSIDERATION OF ALTERNATIVE MANITOBA PLAN

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the minister in charge of the Canadian Wheat Board. In view of the importance of the grain policy proposals now under consideration, would the minister consider tabling or making available to interested members the background papers and analyses of the proposals as well as any other material that elaborates on them?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I will give consideration to that recommendation.

Mr. Burton: Mr. Speaker, is the minister going to hold any further meetings with the Minister of Agriculture of Manitoba concerning the alternative plan suggested by him and will the minister indicate if the Manitoba minister suggested or concurred in a 12 per cent farmer contribution, as referred to by the minister last Thursday?

Mr. Lang: Mr. Speaker, as I indicated in the House a few days ago, it is my intention to have a meeting with the Prairie Ministers of Agriculture at which time any variety of items might come up, and at which time there will be an opportunity for further discussion of any proposals the ministers might have. The question of the farmers' contribution was discussed at my earlier meeting with the Minister of Agriculture of Manitoba.

Inquiries of the Ministry

IMMIGRATION

POLICY RESPECTING IMMIGRANTS FROM UNITED STATES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration. In view of the conflict between statements by top immigration officials that our immigration laws are "patently ridiculous" as they apply to the encouragement of United States immigration and the minister's statement on the other hand that "we need more Americans in Canada because of their easy assimilation in this country," will the minister make a statement on motions clarifying the policy of the department with regard to American immigration?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I do not think it would be appropriate to attempt every time to clarify what the press may report about what officials may have said, especially when they do not identify the officials nor, indeed, even try to pursue the tone of a quote attributed to the minister. There may be an opportunity for the House to discuss this whole issue when the legislation with regard to the immigration appeals board is before it, or indeed perhaps at another time when a statement on immigration policy is placed before the House.

Mr. Lundrigan: Will the minister state whether direction was given to his officials to allow the statement which was made to reach the press in order to distil public feelings regarding the heavy unemployment in Canada at the present time?

Mr. Speaker: Order, please. The hon. member's question is not in order in those terms. The hon. member will appreciate that the question is asked in the form of an argument. I do not think it is in order in those terms. The hon. member may want to rephrase his question.

Mr. Lundrigan: Were any directions given to the departmental officials to release a statement of this nature? Also, will the minister state the exact policy of his department with respect to United States immigrants?

Mr. Speaker: Order, please. As far as the second question is concerned, the hon. member is reiterating the question asked in the first instance as to whether a statement will be made on motions. I do not think that the motion should be made at this time.

Mr. James A. McGrath (St. John's East): Will the minister inform the House by a simple yes or no as to which version is correct, the version in his speech or the version of one of his civil servants? The answer should be simply yes or no.

Some hon. Members: Yes.

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CANADIAN CONSTITUTION

REPORTED AGREEMENT BETWEEN QUEBEC AND FEDERAL GOVERNMENTS ON AMENDMENT FORMULA

Mr. Andrew Brewin (Greenwood): I wish to direct a question to the Minister of Justice. Are the federal government and the government of the province of Quebec in accord on the general lines of a formula for amendment of the constitution, as reported?

Mr. Speaker: The hon. member will recognize the fact that the question is very large in scope. I wonder whether the hon. member expects a statement of this kind to be made at this time during the question period. The hon. member may inquire whether the minister proposes to make a statement in due course.

Mr. Brewin: I will rephrase my question. Is it proposed to make a statement in the House with regard to any agreement that may be reached as to the amending formula for the Canadian constitution between the federal and the provincial authorities?

Hon. John N. Turner (Minister of Justice): I would think that any announcement on the progress of constitutional discussions would be made by the first ministers after the conference that is to be held in Ottawa on February 8 and 9.

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NATIONAL DISASTERS

REQUEST THAT MUNICIPALITY OF ASBESTOS BE DECLARED A DISASTER AREA

Mr. Roland Godin (Portneuf): Mr. Speaker, my question is addressed to the Acting Prime Minister.

In view of the landslide which occurred in Asbestos causing the relocation of numerous families and requiring the construction of new housing, can the minister tell the House whether he has received a request from the authorities of this community that it be declared a disaster area?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Not to my knowledge, Mr. Speaker, but I will inquire.

* * *

GRAIN

WHEAT—REQUEST FOR ANNOUNCEMENT OF INITIAL PRICES AND QUOTA ESTIMATES TO FACILITATE SEEDING PLANS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the minister responsible for the Canadian Wheat Board. In order to facilitate the spring seeding plans of western farmers, will the minister announce as soon as possible the initial prices and quota estimates for the current crop year?

Hon. Otto E. Lang (Minister of Manpower and Immigration): In the proposals tabled in the House in late October, Mr. Speaker, it was indicated that we hoped to do this prior to March 1. This remains our hope.

INDIAN AFFAIRS

SPECIAL FUNDS TO ASSIST INDIANS AND MÉTIS

Mr. S. J. Korchinski (Mackenzie): I have a question for the Minister of National Health and Welfare. It arises from the fact that some funds seem to be available for special groups of people, as is evident in the report concerning Francophones. Have the minister's department and the Department of Indian Affairs and Northern Development submitted a request to Treasury Board for special funds to be used to meet the problems of the Indians and Métis since 40 per cent to 50 per cent of these people are receiving welfare at the moment?

Mr. Speaker: It seems to me that the question asked by the hon. member is argumentive. I doubt whether the question as asked is in order. The hon. member may want to rephrase the question in order to make it acceptable from a procedural standpoint.

Mr. Korchinski: Has the minister made a special request for funds to Treasury Board for such a requirement?

Hon. John C. Munro (Minister of National Health and Welfare): The hon. member should direct his question to either the Minister of Indian Affairs and Northern Development or the Minister of Regional Economic Expansion. I think he will find that some very imaginative programs of assistance to these people have been implemented.

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SPORTS

CANADA GAMES, SASKATOON—PURPOSE OF ATTENDANCE OF MINISTERS

Right Hon. J. G. Diefenbaker (Prince Albert): I wish to direct a question to the Minister of National Health and Welfare in connection with the Canadian games at Saskatoon. Will the minister inform the House whether the Prime Minister and other ministers of the Crown will be in Saskatoon at the time of the games to demonstrate their athletic prowess or is the purpose to give the people of Saskatchewan an opportunity to get the "tone" to which the Minister of Citizenship and Immigration just referred? I know that the purpose will not be in any way political, but for athletic purposes only!

* * *

POLLUTION

GRANTS OR LOANS TO INDUSTRIES AND MUNICIPALITIES TO COPE WITH PROBLEM

Mr. Louis-Roland Comeau (South Western Nova): My question is for the Minister of Fisheries and Forestry. On January 20 I asked the Minister of Finance whether any low-interest loans or grants would be made to industries and municipalities to aid them in cleaning up pollution. The minister stated that he was awaiting recommendations from the Minister of Fisheries and Forestry. Will the minister be making recommendations with respect to grants or low-interest loans to industries and municipalities in order to clean up pollution?

Hon. Jack Davis (Minister of Fisheries and Forestry): A number of recommendations will definitely be made, Mr. Speaker. Some have already been submitted.

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ROBERT BURNS

ANNIVERSARY OF BIRTH

Mr. Barry Mather (Surrey): I wish to direct a question to the government House leader. Is the government aware of the fact that today is the anniversary of the birth of the world's greatest poet, Robert Burns?

Hon. Allan J. MacEachen (President of the Privy Council): Yes, Mr. Speaker, we are aware of that. That is why we have a Scottish Acting Prime Minister today. I hope Your Honour and all hon. members will make private arrangements to celebrate the immortal memory of Robert Burns in a fitting manner.

Some hon. Members: Hear, hear!

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AGRICULTURE

ALLEGED TRAFFICKING IN INDUSTRIAL MILK QUOTAS—ADEQUACY OF DATA SUPPLIED

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Agriculture. Approximately 10 days ago I raised a question of privilege with respect to certain data which I had requested concerning alleged trafficking in industrial milk quotas. The minister promised to look into the matter. I wonder whether he has been able to do so.

Hon. H. A. Olson (Minister of Agriculture): We took this under consideration, Mr. Speaker, and I understood that a letter was sent to the hon. member explaining the situation to him. If that was insufficient, perhaps we ought to have more correspondence.

Mr. Nesbitt: I know the minister does not want to create a wrong impression. I suggest that he look into the efficacity of his mail service. No such letter has been received.

Mr. Speaker: Perhaps the question ought to be directed to the Postmaster General.

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REGIONAL ECONOMIC EXPANSION

PARTICIPATION BY MINISTER IN NEWFOUNDLAND CONFERENCE

Mr. James A. McGrath (St. John's East): I wish to direct a question to the Minister of Regional Economic

Expansion. It is prompted by the presence of Premier Smallwood of Newfoundland in the gallery.

Some hon. Members: Hear, hear!

Mr. McGrath: I bring that fact to the attention of the House so the minister will be most circumspect in his answer. Will the minister reconsider whether he will attend the special economic conference planned for Newfoundland, and is the special five-year program for Newfoundland now ready for signature?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I shall be happy to attend the conference in Newfoundland because the date has been changed.

As to a special program to be signed by the province of Newfoundland, I should tell the hon. member that actually this is a program which has already been announced, and I expect it will be signed within a couple of months.

[*English*]

Mr. McGrath: As the minister is going to be in attendance at the conference, will he use his influence to see whether the premier will permit the Members of Parliament from Newfoundland to attend?

Mr. Speaker: Order, please. The hon. member's question is in the form of a representation. He has to assume that it has been heard.

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SPORTS

SUMMER GAMES, BRITISH COLUMBIA—INCLUSION OF PADDLING

Mr. J. M. Forrestall (Dartmouth-Halifax East): I have a question for the Minister of National Health and Welfare. I wish that I had his tan and had spent a few weeks where he has obviously been. I welcome him back to the House. Would the minister—this is a little more than a direct representation—use his good offices to correct an oversight which has permitted the dropping of paddling from next summer's games in British Columbia? I ask this having in mind, as an item of economic trivia, that there were more paddles sold in Canada last year than track shoes.

Mr. Speaker: Again I submit that this is a representation rather than a question.

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POWER

PROPOSED FLOODING OF SKAGIT RIVER VALLEY—RESPONSE BY U.S. GOVERNMENT TO REQUEST THAT AGREEMENT BE CANCELLED

Mr. Randolph Harding (Kootenay West): A week ago, Mr. Speaker, two questions were put to the Minister of Fisheries and Forestry and were taken as notice at that time. I should like to repeat them. Could the minister tell the House what the response has been from the United States government to his request that the agreement be rescinded under which 6,000 acres of the Skagit Valley will be flooded? Would he also indicate if it is Canadian government policy not to permit the flooding of the Skagit Valley in any circumstances?

Hon. Jack Davis (Minister of Fisheries and Forestry): To put the record straight, a submission has been made to Washington in writing. I have spoken with some of the responsible officials in Washington on this subject and we are now awaiting a written reply from the United States government. That is the state of this affair at the moment.

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FISHERIES

SEALS—ALLEGED DISCRIMINATION AGAINST CANADA IN QUOTA

Mr. Walter C. Carter (St. John's West): My question is directed to the Minister of Fisheries and Forestry—I addressed it to his Parliamentary Secretary on January 14—and it concerns the opening date of the seal hunt and whether the minister would consider eliminating the discriminatory quota system which he has announced for the killing of seals in the gulf by Canadian sealers whereas Norwegian crews are allowed twice the number?

Hon. Jack Davis (Minister of Fisheries and Forestry): There are a number of statements in that question which are not correct. Basically, the seal hunt will be carried out on a sustained yield basis. Canadians will not be taking fewer seals than the Norwegians. We intend to make an announcement about the opening shortly. It will be made in close consultation with the industry itself.

Mr. Carter: Can the minister elaborate and tell the House the quota which the ships are allowed to take in the area known as the gulf and in the area known as the front?

Mr. Speaker: I doubt whether that question is in order. The hon. member is asking for statistical information and unless it is given in the course of a general statement I would not think a question could be accepted in those terms.

Mr. Carter: Mr. Speaker, the minister has suggested that my information is not correct, so I would think the least I could expect is a clarification of the misunderstanding.

Mr. Speaker: From the point of view of the Chair I suggest it might be expected that the minister and the hon. member should get together and clarify the matter between the two of them. At this point the discussion becomes debate, and I do not think the hon. member's supplementary question can be allowed.

CANADIAN NATIONAL RAILWAYS

DISCONTINUANCE OF DINING CAR SERVICE, OTTAWA-MONTREAL

Mr. John L. Skoberg (Moose Jaw): My question is addressed to the Parliamentary Secretary to the Minister of Transport. In view of the importance of the matter, is the department making any investigation in connection with the discontinuance of dining car service on trains 30 and 31 running between Ottawa and Montreal, which are heavily patronized?

Mr. Speaker: My recollection is that this question was asked a few days ago. I do not recall whether it was answered, but I observe that the Parliamentary Secretary has taken notice of the question.

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UNEMPLOYMENT INSURANCE

DISCUSSIONS WITH PROVINCES ON WHITE PAPER PROPOSALS—INTRODUCTION OF LEGISLATION

Mr. Lincoln M. Alexander (Hamilton West): During the question period last Friday the Acting Prime Minister referred to a meeting between representatives of the provinces and the federal government in connection with unemployment insurance and the proposed amendments to the Act. The answer left some doubt in my mind. I should like to ask the Minister of Labour whether he is now meeting with his provincial counterparts concerning the white paper proposals or whether he is at the stage of discussing the draft legislation?

Hon. Bryce Mackasey (Minister of Labour): I would not presume to discuss the draft legislation with the provinces, but we are discussing certain proposals which are contained in the white paper.

Mr. Alexander: In view of the urgency of the unemployment crisis, can the minister tell us whether he has yet received answers from all the provinces? Is it still the minister's intention to bring this legislation in by July, 1971, or is he updating his timetable in an attempt to deal with the very harsh unemployment situation?

Mr. Mackasey: We are now running ahead of schedule in connection with the timetable outlined for the preparation of the draft bill, and I see no particular reason why we should not meet the target date of July 1, 1971.

Mr. Speaker: Orders of the day.

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BUSINESS OF THE HOUSE

Mr. MacLean: On a point of order, Mr. Speaker, before orders of the day are called may I ask the leader of the House whether there is to be any deviation from the program fixed for today? Is there any change in business since it was last announced? More specifically, what items are we to consider after completion of the discussion on the textiles bill?

Mr. MacEachen: I think that at the end of the debate on the textiles bill, if it were finished, we would deal with the crop insurance legislation. If that were cleared I do not think I would call the government organization bill—I think that would be the first item tomorrow. I would consult with hon. members opposite as to what we should consider for the remaining time today, if there were any.

• (3:00 p.m.)

GOVERNMENT ORDERS

TEXTILE AND CLOTHING BOARD ACT

ESTABLISHMENT, INQUIRIES, REPORTS AND ASSISTANCE BENEFITS FOR WORKERS

The House resumed, from Friday, January 22, consideration of the motion of Mr. Pepin that Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other acts in consequence thereof, be read the second time and referred to the Standing Committee of Finance, Trade and Economic Affairs.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I am not sure I am next on the list of speakers which was drawn up the other day, but I do have a few comments to make on this textile bill. I assume this is a reasonable time at which to make them.

I cannot help feeling that the government's bill to rationalize the textile industry has some good points in it. As I see it, the long term outlook for the textile industry would be better if those engaged in it were in a position to produce goods at prices which consumers were willing to pay; goods which consumers needed and wished to purchase. If we are to produce any goods in Canada they have to be produced in competition with products of the same type manufactured elsewhere. This measure provides for a reasonable degree of rationalization in the textile industry and as such we should be willing to support it. I am aware there are some manufacturers, some individuals, who will be penalized. Some people will lose their jobs and it will be awkward for them. But if we are to have a healthy industry of any kind in Canada we are bound, as I say, to produce goods and services of a type which customers will recognize as being useful, and to put them on sale at prices they are willing to pay.

I should like to make a few comments with regard to the clothing section of the textile industry. For too long, it seems to me, we have tried to shore up this industry with subsidies and so on. We have sought to produce goods—I am thinking of cotton goods—in competition with Britain and India, countries with much greater experience than ours in producing goods of this type. I have suggested before, and I suggest to the minister now, that we should concentrate on products we need in Canada. I am thinking primarily about winter wear; I am not saying we should not produce other things. Let us

carry out some research in connection with winter wear. I suggest to the minister, and to those who are involved in the clothing industry, that the winter clothing we now produce in Canada is bulky, heavy, and in some cases far from warm or waterproof. It is unsatisfactory regarded from both a utility and fashion conscious point of view. In this respect, I think we can do much more than we have.

I agree that in this area we have moved part way. For example, the crew of the *Manhattan* were clothed in Canadian parkas. Probably we produce as good a parka for this type of activity as anyone in the market, but as one who has spent a great deal of time out in the cold in the wintertime, I say there is much room yet for improvement.

I suggest the minister encourage the textile industry, through the offices of this board, to concentrate, if you will, consciously on improving winter wear for Canadians. This is the basic reason I am speaking in this debate. I was talking to a young university student a short time ago who was complaining that the knee boots that women purchase deteriorate under the influence of salt. When a person buys a pair of boots, I think there is no reason for having to wax and polish them to keep out moisture or make them salt resistant. This should be done by the industry before the boots are sent to market. I think if we want to sell our products, we should make sure they are really good products. I just offer this as an illustration of why further improvement is required.

I have indicated that we manufacture parkas and such like, but I think we might be more conscious of the style of winter clothing. We see in our stores coats that come from Yugoslavia. I am not knocking them as coats, but why cannot our Canadian winter coats have the same style and appeal? I cannot help but feel we could do more in this regard if we had the desire. Obviously, if we want to employ more Canadians we must develop markets, and this is one area in which we could expand our market.

Canada has been waiting for twentieth century technology, and I think this is also the case with wearing apparel. It is said that the best type of clothing for wear in the Arctic is two suits of caribou skin, one worn on the fur on the inside and the other with the fur on the outside. I suggest that something more appropriate is required in this twentieth century.

A few days ago I was reading a book about the United States economic invasion of Europe. The reason this invasion has been so successful is that there was a vacuum in Europe to be filled. I suggest to the minister that if we are going to keep Canadians producing textiles in Canada, then we must produce top quality goods at reasonable prices. I suggest we should not let the United States continue to take over Canadian markets, and with them the Canadian technology that produces goods for those markets.

I am aware that the Minister of Industry, Trade and Commerce (Mr. Pepin) cannot just manufacture initiative, creativity, style, or even salesmanship, but if he would pay more attention to creating the proper atmosphere in which these things can develop, the workers in the industry will respond. I should like the minister to consider this suggestion in that light.

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, as a westerner, I suppose that any time questions involving tariffs and other forms of protection are brought forward in legislation, I approach the legislation in the way that a prudent man approaches a beehive because I am afraid I shall get stung. It is the consumer who pays for this kind of protection. There is no pot of money—unless it is the citizens' tax moneys—into which the government can dip to support inefficient industry, if it be inefficient. When we raise the tariff barriers or put so-called voluntary import quotas on those nations which sell to us, thus raising the price of their goods in Canada or reducing the quantity of their goods that can be sold in Canada, then the consumer pays by paying more for his shirts, more for his textiles, more for his clothing generally.

It is to this matter that I am going to address myself. I have been astounded, I must say, at the attitude to this bill of members of the official opposition party, particularly those from western Canada to whom trade is so important. There appears to be nothing in this bill that they question. The only words we have heard from the spokesman for the official opposition party are to the effect that this bill is too little and too late; that protection is good and the more protection we have, the better. I would doubt this very much. After all, the Canadian textile industry started in this valley in the 1820's, with mills going up on the several streams in the Ottawa area and in other parts of eastern Canada. It was assumed that we had to protect this infant industry with tariffs, and no doubt we did. But how old is the infant now? It is one hundred and fifty years old, and we are still called upon to protect it because it is not yet ready to compete.

I would draw the attention of hon. members to a quotation from some remarks uttered many years ago, in 1893. A convention was held by the Liberal party and a delegate by the name of Mr. Gillmor had this to say. He was speaking of industries that live behind the safe walls of protective tariff barriers.

> These industries are like the fatted calf, always sucking, and they will never get weaned. These infants are never ready to have their protective tariff taken off. You suggest a reduction of tariff to them and they look so lean and miserable that you would pity them from the bottom of your heart. But when they feel that the tariff is safe for them, they swell to enormous proportions, and display their carriages and footmen, and their eyes stick out with fatness.

Let me also draw the attention of the House to the remarks of Sir Richard Cartwright on the subject of protectionism, made about the same time as the previous remarks. I am going to place the whole quotation on *Hansard* because one should not make partial quotations, but I might say that I do not agree with the second half of the quotation in today's context:

> The moment you introduce the protective system you create a class whose interests are essentially different from those of the people at large, and who become the ready contributors to corruption funds, sharing with their masters the plunder which they have been enabled to take from the people.

As I say, Mr. Speaker, I am not suggesting, nor do I have any evidence, that "slush funds" have been involved in protectionist legislation of recent years, or for that matter during previous generations; but I do draw the first part of Sir Richard Cartwright's remarks to the attention of this House. Protectionism, I suggest, Mr. Speaker, is essentially a self-defeating operation.

In what I have said so far I think I have taken what could be called a rather negative attitude toward this bill. I do not want to be negative, as I hope to show; but I do question, and I am a little dubious. Let me look briefly at the general principles contained in this bill. It provides somewhat more protection than the industry now has. The industry may ask, and may in some circumstances obtain, protection by import quotas or by high tariffs if it is threatened with damage by imports—not so much actual damage but merely threatened damage.

The positive aspect of this bill, which is welcome, is that such industries are required, when they seek this additional protection, to also submit their plans for rationalization. They must show a plan which gives satisfaction to this three-man board, and beyond that to the minister and the government, that they plan to make their industries viable. This is a welcome feature of this legislation.

• (3:10 p.m.)

In common with other spokesmen for other parties in the House, I think that this is good, positive and forward moving legislation. But, I am left with the sensation, after reading this bill, that in terms of rationalization of the textile and clothing industries, this bill will be just as effective or as ineffective as the government of the day chooses to make it.

It can be effective if the industries which are in totally uneconomic areas are encouraged to move into different areas of production in which Canadians can specialize. I have spoken rather harshly of the clothing and textile industries, which all too often in Canada have paid abominable wages under abominable conditions, yet cried for the support of the government while doing so. Although this is a feature of a part of the clothing industry, it is obvious there are great initiatives in some areas, and there must be great efficiency.

I was interested in the minister's remarks when he pointed out the increased sales of Canadian goods to the United States market. We well know that, generally speaking, the United States has an advantage with its long production lines. Generally, United States manufacturers are very efficient producers. When Canada can increase its sales to the United States market in competition with producers in that country, clearly in these areas there is initiative, enterprise and skill on the part of the Canadian producer.

The legislation enables the government to encourage and even direct industries in the textile and clothing spheres to go out of unproductive lines and into productive areas. It is to be hoped that where a plant is totally unefficient, badly mismanaged, or in such a hopeless situation that no workable plan could come forward, these plants should be led quietly to the grave.

However, while this bill offers an opportunity to the government to divert entire industries into areas of efficiency, it also, from my reading of it, leaves the way open for this or any future government to impose import quotas, raise tariffs and protect the industry in one way or another. All too frequently, these plans for improvement could be accepted on the basis of a piece of paper. If a government should not choose to force an industry to follow its improvement plan as put forward, this legislation could provide nothing more than almost continuous protection of inefficiency.

I know that at the moment we are not considering the bill clause by clause, but I feel when the committee examines this bill, it would be wise to give careful thought to assuring that every action taken by the government on the advice of this board be reported promptly to Parliament. There must be protection for the manufacturer to ensure that his trade secrets are not revealed to his competitors when this government acts upon the recommendations of this three-man board. But I do not think it sufficient that action be taken by Order in Council. I suggest each recommendation should be reported to this Parliament. In addition, there should be an obligation on these industries to provide a progress report, say, at least quarterly, so that members of this House, as well as of future Houses, are able to consider carefully whether this legislation is in fact not being misused. I bring these suggestions to the attention of hon. members.

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, this has been an interesting debate on this bill. I have followed it by listening to all the speeches, and I have heard a variety of interesting suggestions from entrepreneurs who own the factories which may be getting obsolete, from workers who are looking for jobs, as well as those interested in developing countries which have goods to sell to our markets. I have also listened to interested consumers who want to obtain goods at the best possible price.

Perhaps the most interesting speech was that of the hon. member for Saint-Hyacinthe (Mr. Ricard). His speech can be divided into two parts. In the first part, he attacked the legislation as being useless and undoubtedly extremely damaging to the textile industry. In the second part of his speech he stated the legislation was long overdue, and that the government should have introduced these measures years ago. That was an interesting reflection.

Before I move on to a consideration of the legislation, I should like to refer to a number of facts about the Canadian textile and clothing industries in order to better understand the subject of this debate. The Canadian textile and clothing industries are, generally speaking, as advanced and technically efficient as those in other countries. They are well able to compete with imports from such sources as the United States, Britain and western Europe, but such is not the case when we are dealing with imports from low cost sources such as

Japan, developing countries or state-trading countries. This is because of wage rates and other cost differentials or export pricing policies prevalent in those countries. Even with the utmost rationalization, it seems highly unlikely that there would be any possibility of our industry competing with the standard type of product imported from those countries.

In addition, significant new developments are taking place in world textile technology, products and markets. These developments are marked by the use of new machinery, greatly increased demand for fashion, style and higher quality, and by a major shift from the use of natural to man-made fibres. Faced with these new developments, the Canadian prime textile industry finds itself at the crossroads in terms of investment decisions to further convert into specialized products, blends and synthetics, and thereby remain at the vanguard of world textile manufacturing.

Given the importance of the industry within the Canadian economy as a whole, as illustrated by the fact there were $3.3 billion worth of shipments, and the number of jobs at stake, being close to 200,000 in 1969, the government decided, and rightly so, in light of the industry's demonstrated capabilities that it should be afforded some kind of assistance.

• (3:20 p.m.)

When the Minister of Industry, Trade and Commerce (Mr. Pepin) outlined the textile policy in the House last May, some hon. members complained that it was too little and too late. In defence of the minister I should say that this textile policy constitutes a very new and unique approach in respect of aiding a sector of Canadian industry. This is the first time a strategy has been developed for an industry sector which takes into account all considerations. These include such economic considerations as regional interests, interests of the consumer and the producer, growth areas and stability of employment. They include as well such social considerations as adjustment assistance programs for workers and such international considerations as relations with our trading partners, obligations under the general adjustment assistance program and obligations to assist developing countries. The plan also encompasses such relevant policy instruments as trade policy, industrial policy including research development, marketing, industrial development and so on. This is also the first time that close co-operation during the policy formulation stage has been maintained throughout between the federal government, industry, labour and the provinces.

Contrary to what some hon. members say, Mr. Speaker, this is not a protectionist policy. We heard from the hon. member for Saint-Hyacinthe (Mr. Ricard) about how important protection is to us or how important he alleges it is. He said we could not compete in free markets. He pointed out that a number of Canadian businessmen say, from time to time, that they see a policy of protectionism developing in the United States. They also point to the domestic policy in Japan which is highly protectionist. Some people look upon the apparent enthusiasm of the

government to rush in and embrace free trade in general as an indication that they are the boy scouts of GATT.

In my judgment, on the other hand, Canada has no alternative but to accept free trade. One must recognize that of every dollar's worth of goods produced in Canada over 40 cents is in respect of goods sold abroad. In other words, nearly half the goods produced in Canada are sold abroad. In Japan, by contrast, the figure is about 10 cents of every dollar. It can be seen, therefore that proportionately our dependance on foreign trade is four times greater than that of Japan. The figure for the United States, I believe, is about 12 cents of every dollar's worth of goods produced represents goods sold abroad. When we compare the situation in other countries to the situation in Canada we realize that, far from being boy scouts in our attitude towards GATT, we are doing the only thing we can to protect our economic interest today. The allegation that Canada can or should adopt a policy of protectionism is entirely unacceptable to me.

The figures from the textile and clothing industries speak for themselves. During 1969, Canada's per capita consumption of imported clothes and textiles amounted to $28.43 U.S. That compares with $15.61 for the United Kingdom, $10.40 for the United States and $6.86 for the European economic community. So, although we have the fear expressed by the hon. member for Coast Chilcotin (Mr. St. Pierre), and a very valid one, that this policy might some day be used for protection, we can see from the figures I have put forward that we are a very long way from having policies which could in any way be alleged to be protectionist. The aim of the textile policy is to encourage the Canadian industry to become and remain internationally competitive by specializing in the more sophisticated types of fabrics and products where factors other than basic import costs, such as style, quality, fashion and delivery, are predominant.

It is true that there will be a certain measure of protection accorded to Canadian industry, but it is important to remember the two main features attached to this protection. First, it is not granted automatically in that companies will have to satisfy the Textile and Clothing Board that imports are causing or threatening serious injury and that their own plans, which will have to be prepared by them with government assistance, will in fact enable them to adjust their operations so that they will become viable. Even if these conditions are fulfilled, protection will not be automatic because the final decision continues to rest with the government. The board which is to be set up will perform only an advisory function. The second limitation on the protectionist features of the bill is that any protection accorded will be of a transitional nature and subject to review by the board.

Another feature of the textile policy is that it will facilitate the phasing out of non-viable operations by assuring workers who may be left jobless as a result of such phasing out of adjustment assistance benefits. These have already been outlined by the Minister of Labour (Mr. Mackasey). Any rationalization of an industry can cause unemployment. Indeed, technological change itself causes unemployment. The hon. member for Winnipeg

North (Mr. Orlikow) suggested that the government ought to accept the responsibility for providing such assistance to all workers who are rendered redundant by government policy and by technological change. This is an extremely tall order because it would have the effect of locking the government into a position of responsibility for keeping our economy from changing. I cannot imagine how such a policy, in the long run, would be in the best interests of the Canadian people, particularly in view of the responsibility we have to maintain our standard of living and to keep foreign markets for our products.

It is a principle of welfare economics, which might perhaps be introduced into this debate, that one can test a policy by asking whether those who benefit from the policy can compensate those who suffer from the policy and still be better off. When that test is applied to the transitional assistance policy, it becomes obvious that this is a policy which involves the availability of foreign markets, and the opportunity to rationalize and make viable existing Canadian sectors of the industry. As a policy, this is properly directed to make those sectors, which are proven to be so much better off, compensate those who suffer from the change and still retain a general benefit. I commend the government for adopting the policy in this case.

I suspect there are other industries which could be dealt with in the same way. The textile and clothing industries is the place to begin. This might sound like an arbitrary statement, but undoubtedly when we look at the figures it becomes clear that the textile and clothing industries have been very badly hit. But other sectors of the economy, such as the electronics industry, the shoe industry and perhaps others, have been adversely hit also. One would hope that the experiment in respect of this policy will prove it is possible to compensate many of those who suffer from competition and technological change by rationalizing an industry and coming out better off.

• (3:30 p.m.)

The policy also provides for a strong measure of support for national and international trade promotions. Many of these support programs are already known to the hon. members of this House, such as Fashion Canada referred to by the Toronto *Telegram* as "all the 'Made in Canada', 'Buy Canadian' and 'Good Fashion Seal of Approval' labels packed into one".

The trade fairs and trade missions programs administered by the Department of Industry, Trade and Commerce have already met with a remarkable degree of success. The establishment of productivity centres to assist Canadian manufacturers in developing a still greater degree of efficiency has yet to be achieved but, as the Minister of Industry, Trade and Commerce said last Friday, this matter is well in hand.

In conclusion, I would like to suggest that Canada can ill afford not to have a viable textile and clothing industry, and the textile policy proposed by the Minister of Industry, Trade and Commerce is surely the best way proposed thus far to achieve that end. Since the present bill is an integral part of the textile policy, I would strongly urge hon. members on both sides of the House to give the bill their full support.

Mr. Speaker: I understand the hon. member for South Western Nova (Mr. Comeau) is rising for the purpose of asking a question. This is in order. Will the hon. member for Don Valley (Mr. Kaplan) accept the question from the hon. member who seeks the floor?

Mr. Kaplan: Yes, Mr. Speaker.

Mr. Comeau: The hon. member talked about rationalization. Is he aware of the act that in the last nine years the textile industry has spent over $656 million in order to make its operation more viable? The industry has been rationalized and made very efficient. Does the hon. member feel that the Canadian textile industry at present is not as efficient as it should be?

Mr. Kaplan: I do not think it is so much a question of rationalization as of specialization. What the Canadian industry has to do is find the markets in which it can be internationally competitive.

Mr. Comeau: It is the government's job.

Mr. Kaplan: This industry has no natural advantage. On the contrary; we are in exactly the same position as other western countries and we are at a disadvantage compared with many low-cost countries. Nevertheless, we have succeeded in finding markets for the textile and clothing industry in which we can be internationally competitive. I see this legislation as providing a framework for permitting the industry to concentrate its resources in areas where it can find viable international markets.

Mr. Stanley Knowles (Winnipeg North Centre): The hon. member for Don Valley (Mr. Kaplan), in his intervention in this debate touched on the point that holds the greatest interest for me, namely, the question of protection for workers in the textile industry who lose their employment because of government policy. I trust that I interpret his remarks correctly when I say that he supports this aspect of the bill but that he is disturbed by the suggestion of my colleague, the hon. member for Winnipeg North (Mr. Orlikow), that it represents a principle that might well be extended to cover all workers. That is what brings me into this debate, even though for just a few minutes.

Far be it from me to suggest that the provisions for displaced workers set out in this bill are adequate, namely, the supplementary unemployment insurance up to a certain point and then a 50 per cent pension from age 54 to age 65, but at least these provisions are in the bill, and I commend the Minister of Industry, Trade and Commerce (Mr. Pepin) and the Minister of Labour (Mr. Mackasey) for including this kind of provision in the legislation.

We already have some other provisions of this nature, even though they have their flaws, such as the Devco preretirement leave plan—if a certain friend of ours were in the chamber, that would get him to his feet—and there are now a number of instances where it is recognized that when workers are unable to obtain jobs for reasons that flow from government policy, the state has an obligation to those people.

I would like to suggest to the hon. member for Don Valley that instead of being afraid of this, he should welcome it, and that as a member from that side of the House he should push for it to be carried as far as possible. Indeed, I think that what is being admitted in the incorporation of this principle into the legislation is that there are times when people, workers in this case, have the right to live without that right being dependent upon their ability to get a non-existent job. I firmly believe that that is a principle which one of these days will have to be part of our whole social and economic structure. In fact, I suggest that the persistence of unemployment at this very time should make all of us do some hard thinking in this area.

Hon. members know that some of us are strong advocates of a guaranteed annual income. I know that the more this phrase gets kicked around, the more definitions surround it. I certainly do not mean by a guaranteed annual income the kind of incremental addition that the Minister of National Health and Welfare (Mr. Munro) has in mind. I have in mind rather something in the nature of a demogrant. But I think that as unemployment persists, as automation and cybernation come along, and as the number of people who are required to produce the goods and services that make possible our standard of living decreases, we are going to have to divorce the right to live decently and in dignity from the question as to whether or not one can get a job. Welfare measures will not do it, a guaranteed income supplement that brings people up to a certain level of poverty will not do it either—it still keeps them poor. The fact of the matter is that government policy comes into this picture, but so will government policy come into the picture of our whole economy, and whether or not people can get jobs in the textile industry, or the automobile industry, or the boot and shoe industry or as PhD's in our universities, depends on government or social policy. I do not think it is civilized, just or intelligent that many ordinary people, running into hundreds of thousands, should have to suffer the stigma of unemployment and poverty because they cannot get jobs that do not exist.

The hon. member for Don Valley is worried about the government being locked into certain policies. I think this is true so long as this business of guaranteeing incomes is limited to various groups, categories or pockets. But I think that if Parliament could get to the place where we would guarantee to all of our people the right to live and an income to make it possible, the government would have even greater freedom with its policies so far as industry is concerned.

• (3:40 p.m.)

Therefore, I wholeheartedly support the statement made the other day on our behalf by the hon. member for Winnipeg North. I am glad we have the TAB program, the SUB program, the Devco pre-retirement plan, and now this plan for pensions at 54 for workers who are displaced in the textile industry. You know, Mr. Speaker, it took us a long time to persuade the government to bring the old age pension entitlement age down from 70 to 65 years. Maybe we are going to have to bring it down to 60 or to 55 years. We have read about this in our studies of the economy, and of automation and cybernation. Let us face up to the fact and admit that in the year 2000 we are not going to have the kind of society in which it will still be necessary for people to get a non-existent job in order to have their rights as first class citizens.

Far be it for me to suggest that there is anything perfect about this plan that has been introduced. It is too inadequate. It is grafted on to a system in connection with which the government has not accepted its responsibility for full employment. But it does have the earmarks of the right approach when it provides that workers who lose their jobs because of government policy still have the right to live. Therefore, I welcome that part of the bill, and I hope that members like the hon. member for Don Valley, who belongs to a party which talks about a guaranteed annual income at its federal policy conferences, as well as at its provincial conferences, will not get locked into the kind of statement he made today but realize that this is the picture of the future—a guaranteed income to our people, to our workers, to our families regardless of whether they are able to get jobs, particularly when those jobs don't exist. Let us work hard at achieving full employment, but let us be honest enough to admit that the pattern is changing and that we are going to have to establish the right of all our people to life, and that right does not mean anything unless it carries with it sufficient income to live in dignity.

Mr. Speaker: The hon. member for Don Valley (Mr. Kaplan) apparently wishes to ask a question of the hon. member for Winnipeg North Centre (Mr. Knowles) before he resumes his seat.

Mr. Knowles (Winnipeg North Centre): Delighted.

Mr. Kaplan: When the hon. member referred to the risk of poverty which one faces when one becomes unemployed because of technological advance or government policy, he completely overlooked and made no reference in his remarks whatsoever to the unemployment insurance program, or to the fact that the government is greatly improving that program.

Mr. Speaker: Order. I wonder if the hon. member wishes to ask a question.

Mr. Kaplan: Does he not recognize that unemployment insurance, which exists and which is being improved, is the answer, or a great part of the answer, to the problem to which, he said, there was no answer?

Mr. Knowles (Winnipeg North Centre): I wonder if the hon. member is aware of the fact that unemployment

insurance covers a person only for a temporary period, and that the Minister of Labour (Mr. Mackasey) admitted the other day, in the statement he made on this bill, that that is not enough to take care of people who are displaced permanently. The very proposal before us now is one that provides when this temporary unemployment insurance runs out, if a person is over 54 years of age, he is to get a pension equal to 50 per cent of his average income over a past period of time. I suggest to the hon. member that I am fully aware of the present Unemployment Insurance Act and I am fully aware of the proposals that are in the white paper that the minister gave to us last year, but I suggest that as long as unemployment insurance is for the purpose of protecting workers for periods of temporary unemployment, that does not meet this long-range problem which I think society does have to meet.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, I rise briefly to support this bill. My purpose in speaking is to call the attention of the House to one or two points which I do not think have been raised heretofore, with the hope that they might be explored more fully in committee.

The textile industry in this country consists of various components. Yarn is produced; it is woven into cloth, and the cloth is used to make clothing. Indeed, in the case of artificial or man-made textiles, there is an even more primary process where Canadian raw materials are made into the essential ingredients from which the artificial fibres are made. But the whole industry in Canada is integrated.

There can be no primary textile industry making yarn, or making cloth, unless that part of the industry has some opportunity of a market to which it may sell its products for conversion into clothing. Conversely, and I think history has demonstrated this, there can be no healthy clothing industry in this country unless it is able to rely upon primary suppliers located in Canada. It is this integration of the total textile industry which I think should occupy our attention, and this is a measure of the problem which is faced by the proposed new Textile and Clothing Board.

For example, Mr. Speaker, I am told that at the present time two thirds of the sweaters made from synthetic fibres sold in the Canadian market are imported, and this disproportionate situation in the market reflects itself back to the primary levels of the industry. In my constituency, we have a very modern plant producing a certain type of artificial textile fibre, but this plant is unable to achieve its maximum efficiency because it is not able to produce at maximum capacity. We have a problem of immense proportions in that we are capable in this country of developing, and indeed we have developed, the technology which is appropriate to this modern age, but because of the disorders in the market caused by imports, principally from Asian and State trading countries, we are not able to achieve in practice that efficiency of which we are capable.

Looking down the line, and we should do this, there is another and an even more grave problem. This industry, and particularly the artificial fibre industry, is one in which there are rapid developments occurring in technology. In order to take advantage of these technological developments, it will be increasingly necessary for new and substantially large investments to be made in plant and equipment. And yet, Mr. Speaker, if order is not restored to the domestic textile market it seems perfectly apparent to me that these investments will not be made, and our country will be denied the opportunity to participate in these highly sophisticated and technologically developed industries which are important to us. We hear all the time that we should be concerned about secondary processing in Canada, and one of the most frequent examples taken is the production of oil and natural gas and the petro-chemical industry. It is the products of this industry which, to some extent, form the basic raw materials of the artificial fibre industry.

So my concern about the effect of foreign imports on the ultimate consumer market extends back to a whole complex of policies which involve our capacity, using our natural resources, for the improvement of employment and the development of better technology in Canada. Mr. Speaker, I desire only to bring these matters briefly to the attention of the House so that they may be more fully investigated in committee. I think that it should satisfy people in my position to know that the concept of injury which will be applied by the new textile board in measuring the effect on imports will not be narrowly applied to the finished products with which imported products compete. It should be widely and wisely construed in order to extend to all elements of the textile industry, so that we in Canada can continue to develop an efficient and technologically advanced industry in this country.

• (3:50 p.m.)

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am pleased to rise and say a few words on the means designed to assist the Canadian textile industry which has been facing serious problems for many years.

The Minister of Industry, Trade and Commerce (Mr. Pepin), considering his duties and his approach to a solution of the industry's problems, has not made much headway so far. He merely provides a limping industry with a pair of crutches to enable it to drag itself a bit further.

But this alone will not hasten its pace! I do not think the textile industry—or any other industry for that matter—will start running faster because the minister foresees unemployment. In fact, he wants the government to commit itself to paying salaries to those who are laid off, out of the citizens' income, consequently, out of public funds. New taxes will therefore have to be levied in order to pay a large number of citizens who are still unemployed in our vast country, with so much remains to be done.

While the means to keep all our citizens employed could be found, we are content to pay them to do nothing; some are robbed in order to pay others. In short,

means are taken further to increase the cost of living, by increasing prices. I wonder where lies the soluton to all that.

The special legislation on the income supplement to be granted to the textile workers is another crutch given to our limping national economy.

After the textile industry, it will be the footwear industry, the tobacco industry, the furniture industry and so on.

The furniture industry is dependent to a large extent on the textile industry, because it uses a great quantity of textile products for upholstering. The furniture industry as all others is on the verge of bankruptcy. Indeed, I could mention several companies which were fairly successful but had to close. The minister is aware of this.

Why is the furniture industry not as profitable as the textile industry? It is because people have no purchasing power. Now, when there is no purchasing power, industry is in jeopardy because it cannot sell its products. When the government raises taxes, increases rates of interest or leaves it to financiers to set them, higher prices follow.

Consequently, it is impossible to compete with foreign countries. It is impossible because the cost price is too high, due to the government's short view policy, which has not foreseen all these things. When new taxes are levied, prices increase as well as the cost of living, and it is more difficult to meet competition and sell our products because people have not the required purchasing power.

All our economy is off balance. It cannot be improved through partial measures. The taxation system is upside down, as well the pension plans, the interest rates, the salary rates, prices, reserves and exemptions from taxes and income taxes. In short, everything is upside down in this country.

As long as the government puts poultices on wooden legs, it will not solve any problem.

The family system, as well as those of education, companies, salaries, incomes, labour and capital are upside down. I repeat: Everything is upside down. As long as we do not attempt to find a solution, things will be the same, everything will go from bad to worse. It is not by issuing crutches to the textile industry workers aged 55 or more that we will remedy the disarray of our national economy. We are wasting time and energy by keeping on groping like that all year long, by passing laws which do not settle anything and which contribute further to mixing up all our economic, social and political activities. Therefore let us have a look, once and for all, at our whole economy, let us explore the basic reason for its over-all of balance! Subsequently we will be able to discover a general remedy, for we have that capacity provided that we want to do it, that we open our eyes and see what is going on.

[Mr. Latulippe.]

Here is what appeared in the newspaper *La Presse* on January 23, 1971, about the textile industry:

January 1970: 80,400 jobs.

September 1970: 77,301 jobs.

Therefore, there has been a decrease of 3,000 jobs in the Canadian textile industry in 1970 (the last statistical data available are for September).

The majority of those new unemployed are Quebecers, since 60 per cent of textile workers live in Quebec.

After such a hard blow will the textile industry, the third most important industry in Quebec, find itself in a dead-end road? No, replies Mr. Frank Brady, general consultant to Dominion Textile. "The industry has everything not only to maintain itself but also to rapidly develop, provided it finds efficient tools to fight against its two greatest enemies: imports from countries (mainly Asiatic ones) with low production costs and...fashion!"

In the first case, the answer must come from the government, according to Mr. Brady, while in the second case the industry itself is involved just as much as the public.

A CAPITAL INDUSTRY

Both because of our climate and because of our comparatively high standard of living, the textile industry has advanced steadily in our country. Every Canadian buys an average of 33 lbs. textiles per year. The problem is that the Canadian textile industry, which at one time was practically the sole supplier of the domestic market, has seen its share of it go down to some 55 per cent in 1970.

This has caused not only employment difficulties but some anxiety as well. The Canadian textile industry, which is well entrenched in Quebec where it employs 56,000 workers, has a turn-over of approximately $2 billion. Eighty per cent of the industry is Canadian-owned and it enjoys a very good reputation on the domestic market.

• (4:00 p.m.)

In recent years, it has attracted new investments of some $100 million per year. Should this rate of progress continue, the industry would supply jobs for some 130,000 persons by the end of the seventies, 70,000 of them Quebecers.

WILL PROGRESS CONTINUE?

The point is whether the rate of growth will continue.

According to Mr. Brady, the textile industry is now in a better position than ten years ago for rapid expansion. It has successfully changed over from natural fibers to straightforward manufacture of synthetic fibers. Technologically, the textile industry is up-to-date. According to Mr. Brady, it can compete with any industrialized country, and without special protection.

Mr. Speaker, there are textile plants in my district and I know of one which has spent $2.5 million on new machinery. Additions were built to receive this new equipment and once all these facilities were provided at a cost of just about $3 million, they were not even put into operation for lack of outlets for any new products. This machinery is of the latest design and there was hope that new jobs would be created but the opposite occurred; indeed, apart from this expansion, other departments were forced to close because even their production cannot be sold.

These products cannot be sold because there is no purchasing power in this country. I wonder when the minister and the members of this House will get it into their heads that it is not advisable to take away from the citizens all purchasing power by collecting taxes, by charging prohibitive interest rates to industries and to

individuals who apply for loans, thus letting everyone deal with this problem, as this leaves the way open to exploitation and the government tries to find palliatives like the one the minister is now proposing.

Not only do these palliatives lead nowhere, but they are going to increase the cost of living again and create injustices to other industries, for if we pay salaries to unemployed people in certain industries, we will have to do the same for other related industries, and where will we find the money? Taxes will be raised and by the same token the cost of living. What good will it do? The corrective measures which the government is applying to industry are only so many new restraints, new harassments which will bring about injustice and unrest even worse than what we are experiencing today.

The problem cannot be solved that way. Settling the problem implies leaving an adequate purchasing power with the taxpayers, and decreasing interest rates to a reasonable level so that industries may be in a productive position. If an industry borrows money at a 12 per cent interest rate, how can anyone expect it to be able to operate?

But nobody is saying a word about that, not even the Minister. There is not even one member of this House to regret it. As for the Tories, they are happy with criticizing the government. How did they propose to solve the problem?

Since the days of Confederation, this county has been run by Grits and Tories and we are now caught in an appeling state of stagnation. Because of overproduction, we subsidize western farmers out of growing grain and we penalize eastern farmers to keep them from producing milk. Even so, we are unable to distribute our affluence. The situation is the same in the textile industry. Why? Because Canadians lack the necessary buying power. Because instead of increasing their buying power we are taking some more away from them.

Lay-offs will do nothing to reinforce the taxpayers' buying power. Nor is it by paying starvation wages, by robbing some to help the others, that we will improve our economy, or give the consumer the purchasing power required to reactivate the textile industry, and other sectors of industry. On the contrary: things will go from bad to worse.

We could say many things about textiles, but what is the use of rehashing details, explanations and figures? I only wanted to tell the minister the present situation is not normal.

To my mind, the real solution to the problem is to give a compensated discount on prices. There, Mr. Speaker, is one way of pleasing the people! That is one way of reducing cost prices! If we do not know where to get the money, or want to take it where we should, the only thing to do is look at the surpluses in Canada this year. We had a surplus of over $34 billion in 1970 and the one we will have in 1971 will be even bigger. If we used it to give compensated discounts on prices to bring them down, we would lower the cost of living and we could tell the unions: We shall not grant any salary increases but we shall reduce prices by granting compensated discounts; that will increase purchasing power and ensure greater distribution of goods.

Then, we shall be in a better position to compete with other countries. At the present time, taxes prevent us from producing for export, because of the competition of other countries.

That is where action is needed, and the minister does nothing about it. Embargoes on this and that do not solve the problem either, because, if we export goods, we must also import some. To solve the problem, Canadians must be given the means required so that they can spend, make necessary purchases in order to clear our production. We shall export our true surpluses. We shall import other goods that we do not produce here, and which we require. There is a sound economy. This is what we ought to do, and this is what the minister must consider more and more. I do not want to blame the minister more than I ought to, for he is not alone in this business. In fact, there is above him, above the Prime Minister (Mr. Trudeau) and above the Minister of Finance (Mr. Benson), a superpower that controls the whole economy of this country. However, we must ask the minister to show enough nerve to stand up to all that and to bring Canadians the required improvements, so that our economy will be balanced, thus allowing all Canadians to live decently in their country which is full of resources.

• (4:10 p.m.)

[*English*]

Mr. John Burton (Regina East): Mr. Speaker, the members of this party have already indicated their support for the bill now before the House; therefore, I do not intend to speak at length. However, there are a few points I should deal with prior to the minister closing the debate.

All hon. members of the House will recognize the difficulties facing the clothing and textile industries in Canada. To the extent that this bill does assist in resolving some of the problems, we welcome it and wish the minister all success in any programs started under this legislation. There is a complex of factors involved in dealing with this legislation and in developing policy and programs. As has been pointed out, our trade relations are involved in more than one way. We have had heavy imports of clothing and textile materials, particularly in recent years. More than one interest is directly affected since many people in Canada have an interest in increasing trade relations in many of those countries that import Canadian products. At the same time, this has posed problems for Canadian workers and producers in various areas.

In addition, we have an interest in trade relations as well, because under any rationalization program it is quite likely we shall have to turn to export markets for some goods that might be produced in Canada. I noted that the minister said the government would attempt to resolve many of the present difficulties, and I think this is the correct approach in terms of trying to come to grips with these problems.

There are policy matters that also have to be considered. We agree with the minister in his attempt to formulate policy which will liberalize trade—and I use that word with a small "l". At the same time, although we want to see trade liberalized there are domestic problems that must be taken into account. In this regard, we are particularly concerned with the employment aspect of the problems facing the clothing and textile industries.

Thus, there are conflicts in developing policy and there is a divergence of interests as well. We are concerned with the direction of government policy. The minister has indicated on many occasions that the government has to perform something of a balancing act. This is correct in the technical sense, but this balancing act comes after the basic policy framework has been established and developed. What we should like to hear from the minister at some time is something more in the nature of the basic direction of policy development rather than the details into which he goes on occasion with regard to the technical aspects of the situation. In saying that, I do not underrate the many important technical problems with which we have to deal.

I think a few words have to be said about the attitude of business and private interests in Canada. Hon. members have had it drawn to their attention in recent days that a number of representations taking violent exception to the bill now before the House have been made. The first point of objection registered by certain private interests is that it seemed the government was going to play a role in solving the problems of this industry. I suggest that this is an irresponsible attitude to take. Whatever might be said about some specific objections that may be raised, some of them valid, I suggest it is irresponsible for the private sector of the economy to take an attitude that, in effect, rules out a role for the government to play in solving our economic problems. This is a Neanderthal attitude which does no one any good in the long run.

This bill is but the first step in the development of a rationalization process for the textile industry of Canada, and it is a useful first step. It does not necessarily mean that we are going to approve what follows the bill; we shall have to judge that on the basis of government action. But an important point that needs to be stressed is that the success of the program will depend upon subsequent actions taken by the government, for which we shall hold the government responsible. The bill leaves final responsibility with the government, not with the board, and the minister underlined this point in his remarks.

The minister also outlined what seemed to be a comprehensive approach involving trade, the economy, regional problems, employment factors and assistance to workers and others when problems arise. This bill provides the framework within which a program of action can be developed, and we will be watching with interest to see what the government does in following up this program. We want a strong textile industry in this country because it has a very important role to play in terms of providing employment and needed goods for the people of this country as well as goods for export to other countries.

[Mr. Burton.]

As I have pointed out, we have to be concerned with our external trade relations, both with respect to attempts to liberalize our trade and with regard to certain trading practices that have created problems in the past. I noted that the minister stated he intended to undertake a rationalization of tariffs, and we will be watching to see what the government does in this regard, too.

One further point I should like to stress, a point that I feel is of great importance, was also raised in the debate on Friday by the hon. member for Winnipeg North (Mr. Orlikow). It is impossible for a program of rationalization in this or any other area to be successful when there is a high degree of unemployment in Canada or a high degree of slack in the economy. The best of programs cannot hope to be successful in solving the problems of this industry if it has to operate within this kind of framework. Thus, I presume that the Minister of Industry, Trade and Commerce (Mr. Pepin) will do everything he can within the councils of the government to ensure that the government adopts more quickly than it has indicated so far, policies that bring about a change in the direction of the Canadian economy.

We are very much interested also in the program to give assistance to workers who become dislocated, something that we feel is very important. I do not intend to labour this point since it has been dealt with adequately both by the hon. member for Winnipeg North and by the hon. member for Winnipeg North Centre (Mr. Knowles). We approve of the principle contained in this bill; we shall have further questions to ask in committee, and we hope that a positive and concrete program will follow from this legislation.

Mr. Deputy Speaker: Order. I must advise the chamber that if the minister speaks now he will close the debate.

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade, and Commerce): Mr. Speaker, I should like in the first place to thank the hon. members who took part in the debate. I regret only one speech and it is that of my friend from Compton (Mr. Latulippe). I would have liked him to use that opportunity more effectively to philosophize on matters other than poultices and strait-jackets. I wish he had dwelt on the importance of taking progressive steps to solve our problems.

Since we are only human beings, I consider politics as the art of fulfilling the "possible." I do not think that all problems can be solved thanks to a single formula, whether it is purchasing power or anything else. Indeed, I think that problems are settled gradually. Moreover, quite often, the solution of a problem gives rise to two others which are sometimes just as difficult to solve. Such is life! I think that my idea of life and politics is much more realistic than the hon. member for Compton seems to imagine. History will be the judge as well as the people of Compton and Drummond.

However, this debate will have allowed us to identify important questions. The first one, raised by the hon. members for Saint-Hyacinthe (Mr. Ricard) and South Western Nova (Mr. Comeau) was about the nature of the Board itself. What are its power, its functions? What is this Board supposed to do? The hon. member for Saint-Hyacinthe seems to believe that the Board is going to launch a wide inquiry into textile products; such is not the case. The Board will have to pass judgments on specific, concrete cases and in a very short period of time. It will be necessary to correct that impression as soon as possible.

The hon. member for South Western Nova has wondered: Why set up a Board? Could not the government itself not take those decisions as soon as possible, immediately? What he suggests is the system we already have, and it has not worked that well; otherwise, we would not have Bill C-215. We think it would be advisable to formalize all this a little, to create machinery that will study these matters in a manner a little more open, a little more independent than up to now, on the basis of some better defined criteria.

Another series of questions will deal, at the committee stage—as far as I can judge from the debate—with the requirement of bringing concrete plans to the Board. The hon. member for South Western Nova, once again, asked himself the question. If it is merely a matter of modernization, why, he said, should the Board insist on the companies' plans being submitted? Here the hon. member for South Western Nova underestimates the importance of the adjustments to be made. If adjustments are to be made it will be absolutely necessary for the Board to know these plans and to supervise their application, otherwise it will not be possible to know whether required changes are taking place or not.

• (4:20 p.m.)

[*English*]

Questions were raised by the hon. member for Winnipeg North (Mr. Orlikow) and the hon. member for Winnipeg-North Centre (Mr. Knowles) having to do with the assistance program. I welcomed the fact that both hon. members seemed to say this was a rather good program.

Mr. Knowles (Winnipeg North Centre): A step in the right direction.

Mr. Pepin: I think the Minister of Labour (Mr. Mackasey) will welcome that judgment. Both those hon. members asked the question, if it is good for the textile industry why would it not also be good for other industries which are at times in the same predicament. This is an obvious question and we thought about it seriously. During our considerations at the committee stage, I assume we will consider at some length the concept of government responsibility. It is not always easy to identify the government as being responsible for a specific change.

Let me give a rather far fetched example. If the government of Nova Scotia decided to build a road which happened to pass a mile or so away from the old road, would the government be responsible for losses suffered by those people operating gas stations on the old road which motorists would not patronize as often as they did before? Again, the concept of government responsibility is a very difficult one to assess. In attempting to define in the bill this responsibility for assistance, we decided there were three areas where this government responsibility would come into play. We have them in the bill.

Again there are divisions along philosophical lines. Hon. members of the NDP say they would immediately give full application to this principle of assistance to workers in industries damaged somehow by government action. They would implement the whole principle immediately. What will happen in respect of this measure and how it will be used in the future is very important to us on the government side. If it works well and we find that reasonable use is made of this workers' assistance program, it may be that the idea will become more or less generally accepted and applied to other cases.

Let me come now to the suggestions of the hon. member for Coast Chilcotin (Mr. St. Pierre). Among other things, he laid some emphasis on the fact that the government of today will carry a very substantial responsibility for the success or failure of this measure. I could not agree with him more but I should like to expand a little bit on that idea. It is not only the government of the day that will be responsible for the way this bill will be used; its success depends also on the imagination, the dynamics and the interest employers will demonstrate. It is also important that the workers react to this legislation in a favourable way. I am being absolutely frank when I say that circumstances will also have a lot to do with the manner of implementation of this measure.

The hon. member, along with others, has made the point that this bill may not be implemented or used in exactly the same way under varying circumstances. There is no doubt in my mind that this is a simple truth. In difficult circumstances of unemployment, for example, the measure will be used in a slightly different way than if we had hundreds of jobs that could become obsolete. I am being very frank, as I think this is the right thing to do at this time. That is why I keep repeating that this bill provides a philosophy, a direction and creates a framework for decisions. As the hon. member suggests, its success depends on the sense of responsibility of the government, of the unions, and of the employers.

It seems to me that industry and unions are pleased with the fact that some framework is being created. I feel ill at ease when I hear people suggest that this bill is a protectionist bill, and I feel ill at ease when they say it is a very liberal bill, one that will create unemployment. In my view both positions are wrong.

Mr. McCleave: Time will tell.

Mr. Pepin: Those are exactly the words of Mr. King of Domtex "time will tell", after he read the statement of

May 14. I go along with that suggestion. Success will depend upon the response of all the people involved.

Some people have asked me about the basis of selection of the members of the commission. You know them: Mr. Annis, Mr. Campbell and Mr. St. Laurent. Some have suggested that these men are not from the textile industry. I have said in reply that this was part of the deal. We did not want employers in the textile industry unions or importers to be formally represented on the Board. What were the main qualifications of the three gentlemen selected? I have stated that the most important criterion was judgment, because it seemed to me this was the most useful attribute.

I am sure we will debate these matters in detail at the committee stage.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

* * *

• (4:30 p.m.)

CROP INSURANCE ACT

AMENDMENT TO INCREASE EXTENDED COVERAGE

The House resumed, from Friday, January 15, consideration of the motion of Mr. Olson that Bill C-185, to amend the Crop Insurance Act, be read the second time and referred to the Standing Committee on Agriculture:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have not spoken previously on this bill because I wished to read the extensive debate which took place on January 15. I believe there are one or two very valid points which have been mentioned in this debate which should be re-emphasized. As we know, this bill deals with just one modest amendment to the present Crop Insurance Act. It deals particularly with the flooding of land, cultivating and fertilizing of land, and the planting or seeding of a crop in areas where certain crop damages have occurred in recent years. My remarks shall be very brief because, as I said a moment ago, other hon. members, such as the hon. member for Mackenzie (Mr. Korchinski), the hon. member for Meadow Lake (Mr. Cadieu), and the hon. member for Dauphin (Mr. Ritchie), have dealt with this bill as it relates to their particular areas.

The bill is interesting, not so much because of the subject matter it deals with, but because of what it lacks. I wish to refer for a moment to the original crop insurance legislation which was introduced in 1959. It is understandable that this piece of legislation still lacks a good deal because this was the first time we had a crop insurance plan for Canadian agriculture. At that time, the problem was not knowing where to begin, where to end or what would be practical in terms of legislation. Now, however, there has been a reasonable time lapse and a number of inadequacies are apparent in this legislation.

I recall that in 1959-60 the Province of Manitoba took the initiative and introduced legislation to complement

the federal legislation because that legislation was only enabling legislation and the main responsibility for effective crop insurance still lies with the provinces. Manitoba was in the forefront and other provinces followed. At that time I was rather discouraged to see Saskatchewan dragging its heels. I can recall, directly and indirectly through newspaper comments and so on, having discussions with the hon. member who was then the Premier of Saskatchewan and now the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) about the fact that Saskatchewan apparently was dragging its heels. However, I believe Saskatchewan has co-operated very well in an effort to bring in a comprehensive crop insurance scheme to meet the potential of the present federal legislation.

One of my worries, and one of the reasons I rise to speak at this time, is that in looking at the figures I find that only about 15 per cent of the people actively engaged in agriculture utilize the crop insurance plan. What is the reason? In my opinion, the reason would seem to be that the plan falls short of what it should be. It would be logical to conclude that the present crop insurance plan is inadequate for the purpose for which it was originally developed.

For a moment I should like to refer to certain recommendations made by the task force on agriculture. The recommendation reads:

> In 1975 a Federal-provincial committee should appoint an independent body to make a comprehensive evaluation of the effectiveness and efficiency of the crop insurance program and, in particular, to recommend on whether or not the current subsidy should be continued.

This is an indication that the members of the task force were concerned about the present legislation. I do not agree with the time at which they suggest such action should be taken. At another point, the report suggests the immediate discontinuance of the PFAA program. I cannot agree with this because the PFAA, since it was introduced, has filled a very great need and has been very effective in many areas in which crop insurance could not apply. I say that, for the moment, we should not consider taking any action to do away with the PFAA program until we have a more effective crop insurance program. In paying this I believe I speak on behalf of a great many farmers in western Canada. I think they would support this contention.

Further on the task force report reads:

> The equivalent of the annual subsidy paid to the PFAA program by the federal government should be allocated to the financing of the Prairie Grain Price Stabilization Program.

I cannot agree with this suggestion, either. This is another example of the present government trying to rob Peter to pay Paul. I refer to these matters because they tie into the present discussion in respect of crop insurance.

In conclusion, may I say my first reason for rising at this time to take part in the debate is to re-emphasize what I and others have said. The legislation is not being utilized to anything like its maximum potential. Because of this, I suggest that the government should set up a

small representative group of key farm figures from farm organizations to immediately, not in five years as the report suggests, make a close study of the present crop insurance plan and report back to the minister or the Standing Committee on Agriculture with recommendations for a better piece of legislation.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, for years I have been interested in the aims and objectives of crop insurance. I should like to take this opportunity to speak briefly on the amendments which are before us in Bill C-185. A number of members from various parts of Canada have spoken in this debate. A number of rather interesting suggestions have been made. It is not my intention to repeat these. However, there are one or two points I wish to re-emphasize so far as crop insurance is concerned.

I might point out that the first crop insurance act was enacted in 1959 It provided for federal government financial assistance to provincial crop insurance programs, with the proviso that these programs meet certain standards. In this first act, the criterion was that production remain below 60 per cent of the average long-term production for the crop insured in that particular region. We find that a re-insurance provision whereby the province pays a premium to the federal government in return for which the federal government assumes 75 per cent of the losses incurred by the province was added in 1964. This was an incentive to other provinces to join the plan. In 1966, an amendment to the act increased this coverage to 80 per cent and thus provided the farmer with substantially better protection.

Today, the Crop Insurance Act provides, to those provinces which have instituted a crop insurance program, a guarantee which will cover losses up to 80 per cent. Assistance from the federal government comes to 50 per cent of the administration costs, plus a contribution equal to 25 per cent of the total premiums paid. This program is costing the federal administration about $5 million a year and, according to the minister, this is expected to increase to $7,500,000 within the next three years.

• (4:40 p.m.)

According to the statistics, the plan is increasingly being used by farmers throughout Canada. In 1968-69 some 64,376 farmers purchased crop insurance coverage totalling almost $175 million. The premiums paid for crop insurance came to just over $13 million, and the claims against the various plans totalled over $15 million. Again according to the minister, the plan is actuarily sound, and to date for every dollar paid into the program by the farmers, the federal government, and in some cases the provincial governments, 97 cents have been paid out in indemnities to those farmers suffering crop losses. I believe this indicates that the vast majority of the money in the plan is actually going to the farmers who need it.

We find that eight out of ten provinces have crop insurance programs. I understand that only Newfoundland and New Brunswick are not participating. The province of Manitoba, which was the first province to introduce a program for crop insurance, still has the largest number of farmers taking advantage of the plan. Last year some 14,200 farmers in Manitoba took out insurance. In my own province of British Columbia, only 810 farmers took out insurance last year and the total amount of their insurance was $8 million. There is no doubt that to date only a small percentage of farmers in Canada avail themselves of this protection against crop loss.

The amending bill before us will provide for contributions to insurance programs which will cover losses of preplanting costs. This is a good amendment and will cover another major hazard in crop production. There is not doubt that very substantial costs are involved before the seed is ever planted. A long period of wet weather, for example, could prevent planting. The losses involved, of course, would be as the cost of getting the land ready for seeding, the application of fertilizer, and in some instances the loss of plants for transplanting, etc. To have these crop costs covered under the plan seems a logical extension of the act.

There is further protection to those engaged in fruit growing along the lines I have already mentioned. This aspect will prove of interest to the fruit growing areas of Canada. In my riding, particularly in the Creston district, we have a small but excellent fruit producing area. However, to date I believe very few growers have availed themselves of crop insurance.

It seems to me that one of the chief drawbacks of the programs set up by the provinces is the fact that the crop insurance rate is too high. This has been a common complaint across Canada. Perhaps rates could be reduced if there were more farmers participating in the plan. In this connection, I would urge the minister to examine the possibility of extending the coverage to other products not now covered under the act. The fact that only 64,000 farmers in Canada out of almost 500,000 have opted for crop insurance is an indication that in many cases the cost is beyond their financial means. They are prepared to take the chance of getting through the growing season without substantial loss.

Another reason farmers have not been participating in the plan is the fact that a large number of them still do not know the details of the crop insurance program. Again, I would suggest to the department that the full terms of the plan be made available to all farm organizations and farmers' groups throughout Canada. I think it is essential that they know what is available for them in the line of crop insurance, and I think this would add substantially to the number of farmers participating in the plan.

In conclusion, I would say that any review of legislation is always good, and our Department of Agriculture should review this legislation to see if some of the provisions are preventing farmers from using the plan. I, personally, feel that the legislation is needed. Let us make it as reasonable and as comprehensive as possible.

Mr. William Knowles (Norfolk-Haldimand): I rise to say a few words at the conclusion of this debate. I

promise the minister I will not take more than five minutes, so that we can get through in the time allotted to this debate.

I feel that not too much has been said about the application of the act to the cash crop farmers in southern Ontario, and that is why I wish to draw to the attention of the minister some parts of the act which I feel contain defects. I think now is the time to draw them to his attention so that these provisions can be improved. I agree with the two previous speakers that the program has not been put into effect as widely as was intended. Generally speaking, farmers have been somewhat leery of the program. They have felt that it has not provided the coverage that they expected. I spoke to some of the people who sell insurance in our area, and also to some of the people who are involved in cultivating in Norfolk and Haldimand counties, and these are some of the criticisms that they have had with regard to the application of the act.

One reason that perhaps the program has not been applied too widely in our area—and this is no fault of the act—is that in the last number of years we have been favoured with very few serious crop failures. For that reason alone, not too many farmers have taken insurance.

The other provision that could be corrected is that the program is limited to small grains and, latterly, to orchard crops. Tobacco is one of the prime commodities produced in our area, and the terms under which the act is administered in Ontario do not apply too well to that commodity. Tobacco is a high revenue yielding crop, but it also requires a very high input. Farmers are not able to acquire enough insurance under the plan that is now set up to be of much value to them.

Another criticism that has come to my attention relates to the insuring of the fall wheat crop. In southern Ontario, fall wheat is often harvested at a time of very high humidity not experienced in western Canada. Over the last number of years, there has been a considerable amount of sprouting in wheat before it has been harvested. Farmers who have had crop insurance have found that the value of their crop decreased from $1.50 to $1.20 per bushel because of sprouting. They have not been able to collect anything at all under the crop insurance program because the administrators of the plan argued that they had, in fact, achieved a yield above the five year average on which payment is based. But at the same time, the value of the crop to these farmers was decreased because of the sprouting which took place. These farmers will not have anything more to do with crop insurance. Mr. Speaker, it seems to me that some of these minor details could be ironed out to the benefit of the farmers concerned.

• (4:50 p.m.)

Another abuse that has been taking place under the present administration of the act is that under wet conditions a farmer will put in his crop knowing full well he will not be able to harvest a proper yield. He will harvest half his crop, but apply to the commission to be compensated for the loss of the whole crop. This is a definite abuse, but I think the amendment in Bill C-185 will certainly take care of that.

The other, and perhaps more important point I wish to make is that adequate coverage is not now available to farmers in cash crop areas where there is a very high cost input. This is a point I mentioned at the outset of my remarks, and it is in this vein that I wish to conclude. One example may illustrate what I am trying to point out. The tariff insurance companies, general insurance companies, will offer a certain type of crop insurance. Again, I refer to tobacco as an example. Hail damage is one of the great hazards experienced by tobacco growers. From the tariff companies, tobacco farmers are able to buy whatever amount of insurance they wish to purchase to cover their input costs, whereas under this program as it is now set up they are able to get back only 80 per cent of the five year average. This is not adequate to cover their costs of production. Therefore, it seems to me, essential that the federal government set guidelines for the provinces to follow, to obviate some of the glaring defects that I have tried to point out.

The thing that is most needed in the area from which I come is more adequate coverage. The farmer's risk is great. Therefore, he should be covered to a far greater extent. He is able and willing to pay for more coverage because now he certainly is paying the tariff companies. In many cases, the cost is excessive. I draw these defects to the attention of the minister and his departmental officials in the hope that, when they sit down with provincial officials to re-assess the whole program of crop insurance, some of these defects may be overcome.

Mr. Deputy Speaker: Order. I must point out to hon. members that if the minister speaks now he will close debate on this stage of the proceedings.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I see that there are only a few minutes left before the hour for private members' business, and perhaps if I give you notice that I shall take only a minute or two beyond that hour the House may agree not to see the clock.

Some hon. Members: Agreed.

Mr. Olson: Mr. Speaker, on rising to close the debate on second reading I wish to thank hon. members for the generally favourable comments which they have made with regard to the amendments that are proposed at this time. While there have been a number of suggestions made regarding other means of making crop insurance more useful to Canadian farmers, there seems to be general agreement with the contents of this bill and the extended coverage which it will be possible to provide in federal-provincial crop insurance agreements. Because there seems to be general agreement with the amendments proposed, I will direct my remarks to some of the other related comments made by those taking part in the debate. I did not hear any hon. member disagree with the amendments proposed in the bill. Suggestions were

made during the debate that the crop insurance programs now in operation in eight provinces do not offer insurance for all crops. Mr. Speaker, the crop insurance regulations list the following insurable crops: wheat, oats, barley, rye, flax seed, corn, buckwheat, soybeans, potatoes, sugar beets, tobacco, sunflower, rapeseed, mustard, apples, pears, peaches, plums, prunes, cherries, apricots, strawberries, grapes, tomatoes, spinach, broccoli, brussels sprouts, cauliflower, cabbage, peas, beans and forage.

Any other crops for which it is desired to develop an insurance plan can be added to this list by order in council amendment of the regulations. Therefore, it is only necessary for a province to present a plan for any crop which meets the requirements of the act, and we will be prepared to include the plan under the federal-provincial agreement. The initiative, however, for including additional crops under the provincially operated crop insurance programs must come from the provinces. As I said, my officials are prepared to assist in the development of new plans and are presently doing so in the regular course of their duties. In fact, we have recently offered to assume responsibility for necessary research for all new and continuing plans.

Some hon. members indicated that they were of the opinion the cost of crop insurance was a major reason for participation not having increased more than it has. Every discussion about crop insurance starts with the observation that the growing of agricultural crops in Canada is a very, very high risk business. And, of course, it is. The reason we have a Crop Insurance Act is that it was considered the cost of such protection would be too high for farmers to carry themselves. That is why today the federal government pays 25 per cent of the necessary premiums, and 50 per cent of the administrative costs in all provinces with which agreements have been completed. It is the reason the provinces pay the other half of the administrative costs. Ontario and Quebec also contribute to the premiums.

As a result, federal contributions cover about 31 per cent of the cost of providing insurance and provincial contributions provide another 15 per cent, so that farmers are only absorbing 54 per cent of the actual costs when they pay their premiums. The average premium, including the government's share, is about 7 per cent of the coverage provided, so that farmers' premium rates generally run at about 5½ per cent. Those of us who have purchased single risk hail insurance throughout the years have paid more than this for that very limited protection.

There has also been some criticism of the amount of coverage provided, particularly for grain crops in the Prairie provinces. There has been a suggestion that the historical yield data used to determine the level of guaranteed production has not provided a realistic basis for insurance in some areas. Certainly, it seems to me that if we are to guarantee production it must be on the basis of the productive capacity of the land as indicated by yields over a period of years. The number of years experience to be used is a matter for negotiation between the federal and the provincial governments, but I might say that we are very flexible on this matter, as is evidenced by the fact that the long-term average yields used to arrive at coverage vary from five to 25 years. In Saskatchewan, a recent study by the Saskatchewan Crop Insurance Administration indicated there was very little difference in the average yields calculated on a ten year basis from those calculated on a 25 year basis, and that in fact in many areas the 25 year average was higher.

Attention was drawn to the fact that the five year period 1965-69 being used to determine coverage for fruit crops in British Columbia contained two poor years, that is, 1965 and 1969, resulting in reduced guaranteed yields. This, of course, often is a factor when a very short period of years is used. However, the period used this year will drop off 1965 and add 1970, which will reflect increased production guarantees. While the original Crop Insurance Act provided that the maximum production guarantee for any crop was 60 per cent of the long-term average yield, we introduced amendments in 1966 which increased the maximum coverage available to 80 per cent of the long-term average yields. At that time, we also provided that if a province so wished, coverage could be calculated on the basis of an individual farmer's yield history rather than on area yields.

There has been a suggestion made that increased inputs into crop production should be reflected in higher guarantees under crop insurance. This is the prime reason we raised the upper limits to 80 per cent of average yields under the 1966 amendments. It will always be necessary, of course, to keep guarantees at levels which, while adequate to cover out of pocket costs of production, do not remove incentives to produce and harvest crops efficiently.

• (5:00 p.m.)

Much has been said during this debate about the Prairie Farm Assistance Act. For several years I have been receiving representations urging me to have this legislation repealed and, as has been mentioned, the task force report is very definite in this respect. However, I have taken the position that the western provinces should have time to make crop insurance available to all farmers, and for a wider variety of crops, before the act is eliminated. I appreciate very much the comments which have been made by those taking part in the debate, both for and against PFAA. I will keep these opinions in mind when a final policy decision is being made in this regard.

In closing, I wish to emphasize that the primary responsibility for crop insurance rests with the provinces. While we are supporting provincial programs in a substantial way, we have very limited authority to influence the type of programs offered. Every effort is being made to keep in close touch with provincial crop insurance agencies in order that we are constantly informed of insurance needs of farmers and to assist wherever possible in meeting those needs.

As is evidenced by the previous amendments to the act and regulations to increase federal contributions, increase coverage, make possible coverage on the basis of individual farm yields, provide reinsurance of provincial

risks, to include additional crops and to provide for extended coverage for plants, trees and unseeded acreage, we are ready at any time to meet any reasonable request of the provinces to recommend changes to Parliament in order to make crop insurance a more useful factor in our struggle to stabilize farm income. The amendment contained in Bill C-185 is another step toward meeting the requests that are made from time to time.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Agriculture.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Battleford-Kindersley (Mr. Thomson)—Broadcasting—editing of national news on budget basis; the hon. member for Abitibi (Mr. Laprise)—Industry—Maniwaki (P.Q.)—talks on possibility of granting money to Sogefor plants; the hon. member for Regina East (Mr. Burton)—Regional Economic Expansion—control of pulp mill in Alberta.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, notices of motions, public bills.

PRIVATE MEMBERS' MOTIONS

GOVERNMENT ADMINISTRATION

REQUEST FOR LEGISLATION TO INSURE CITIZENS AGAINST DEMANDS FOR FULL RETURN OF OVERPAYMENTS RESULTING FROM ERRORS BY PUBLIC SERVANTS

Mr. W. C. Scott (Victoria-Haliburton) moved:

That, in the opinion of this House, the government should consider the advisability of introducing legislation to provide that where, due to error or negligence of a public servant, a member of the public becomes indebted to the government—as by overpayment of a pension or allowance—then the government should, by insurance scheme or otherwise, assume a portion of the liability for repayment of the public funds paid out without authority by government error or negligence rather than exact, as now, full repayment from the recipient by arbitrary process of law or government decree.

He said: In all of the time that I have been privileged to serve in this House, Mr. Speaker, no other single problem has enjoyed a higher priority in my thinking and efforts than the plight of the elderly pensioners and the elderly and disabled war pensioners in our country. Even as I say this, I give full marks to the scores of other hon. members who have taken every opportunity to speak out in support of a more compassionate approach to the problems facing those who can no longer fend for themselves.

One of the failings in our approach to this problem, Mr. Speaker, is that we have tended to view the problem of old age security as something that can be legislated out of the way and forgotten about. These people are considered as units in a segment of the population that has been provided for by specific legislation. If any new problems arise as a result of the implementation of the law, these units must be treated alike, with little or no regard for the individuality of the problems. Those of us who do not have to depend on old age security for our subsistence must be constantly on guard, Mr. Speaker, in order to avoid the very human failing of assuming that because there is legislation to provide for the elderly, they must obviously be provided for the full extent and in the spirit of the law.

Experience has shown that this is not the case. In many cases, it might even be said that nothing is further from the truth. Experience has shown that the implementation of the old age security legislation has, in many cases resulted in hardship that is akin to outright inhumanity to many of the recipients of old-age security payments who have no other means of support. However well intentioned any piece of legislation might be, Mr. Speaker, there is always the danger that the intent of the law will be thwarted through the advent of human frailty or inefficiency in the implementation of the law. Therefore, it has been the custom with governments such as ours to insure that there is either implied or actual right of appeal against arbitrary decisions rendered under a particular statute.

Hardly a day passes that I do not receive letters from constituents who have been notified that the government has garnished their old age pension, veterans allowance or pension, in order to recover overpayment of benefits. In many cases I have found that the overpayments have occurred as a result of improper screening by public servants charged with administering the old age security legislation. In many cases I have found that the overpayments occurred as a result of downright inefficiency on the part of federal employees.

It does not matter whether the overpayments were the fault of the government. Present legislation provides for the government to garnishee old age pensions, veterans pensions or any other income of recipients in order to recover overpayments. This can be done, Mr. Speaker, even if it results in the withholding of the entire amount of a pension or other benefit. As the present legislation is written, there is no right of appeal by the recipient. The government minister responsible for the legislation made this clear on March 9, 1970 in his reply to a question from the member for Marquette (Mr. Stewart).

With Your Honour's indulgence, I wish to put on record a few examples of how the present old age securi-

ty legislation can be made to work against the very people for whom it was written. One woman was threatened with having her guaranteed income supplement entirely cut off because she could not provide the department with the amount of her husband's income. This woman has not seen or heard from her husband for over 11 years. Two recipients, a husband and wife, received an overpayment of $70.40. A $30 deduction was made for two months and a $10.40 deduction the third month. Cases like this cause great hardship. It is taken for granted that government employees are fully qualified to look after the interests of these people who may have a lack of schooling. But they have great difficulty in dealing with the huge volume of letters they receive asking different questions, so a great many of them are set aside.

• (5:10 p.m.)

I have an instance of another overpayment, the overpayment of a widow's allowance by the Department of Veterans Affairs in the amount of $296.52 because this lady had assets and property in excess of $1,250. The allowance was in the form of a special award of $175.00 monthly after her husband's death. Another overpayment by the Department of Veterans Affairs involved an amount of $194.47 resulting from the fact that the lady in question had banked her $70 monthly allowance instead of paying her son room and board as she had agreed to do, accumulating $194.47 in excess of the maximum allowable amount. This was due to forgetfulness on her part but the allowance would not be paid again until she had given a cheque for $194.47 to the department.

It is safe to assume that every member of this House has a score of such cases on his desk and that a considerable part of the time of each of us is taken up in attempting to resolve such difficulties as these. I have no doubt that every hon. member is as interested as I am in taking whatever steps are necessary to ensure that old age security and veterans legislation lives up to the original intent of Parliament. I would be the first to say that any cases involving fraud or wilful intent to defraud should be prosecuted to the full limits of the law. However, where there is no demonstrated intent to defraud, and especially when it can be shown that the overpayment is at least partly the fault of a federal employee, then the benefit of the doubt should be given to the recipient. Also, where it can be shown that repayment would work undue hardship on the recipient, the overpayment should be forgotten as is the practice in the United States.

I urge all my colleagues in this House to support my efforts to amend present old age security legislation so as to ensure that it can be administered fairly and humanely. All will agree, I am sure, that this was the intent of the legislation. It is our responsibility to make certain that the legislation is sufficiently flexible as to enable individual cases to be dealt with on their own merits and that there is, within the body of the law, the right of appeal against arbitrary decisions. We cannot do any less, and we should not delay any longer.

Government Administration

Mr. Alastair Gillespie (Parliamentary Secretary to the President of the Treasury Board): Mr. Speaker, I listened with considerable interest to the remarks of the distinguished member for Victoria-Haliburton (Mr. Scott). I share his concern, as I am sure do all other members of the House, with regard to the instances of hardship he mentioned and the difficulties which have been created for citizens, particularly older citizens, and in some cases for veterans.

I share his wish that our administration should be humane and fair. I should like to emphasize, though, that we are talking primarily about administration rather than legislation. Parliament has provided in its laws for certain rules to be followed and it has called upon the departments of government to administer the laws according to those rules. I should like to deal with some of the principles which I believe to be involved in the motion before us. It seems to me there are three principles which we could acknowledge at the outset. First, no one should profit unlawfully as a result of an error or as a result of negligence on the part of public servants. Second, no member of the public should suffer as a result of error or negligence on the part of public servants. Third, every reasonable precaution should be taken to prevent the occurrence of errors, in the first place, or their reoccurrence in the second place.

Let me deal briefly with each of these principles. As for the first, that no one should profit unlawfully as a result of the error or negligence of public servants, it seems to me that a number of instances might be cited. The hon. member refers to the overpayment of pensions by the DVA. I think he would agree that in some instances these overpayments may have come about as a result of information withheld by individuals not necessarily with intent to defraud but, perhaps, inadvertantly, not volunteered. Any hon. member will know the legislation with respect to veterans' pensions requires a certain set of criteria to be met before pensions are paid. If the property or income of an individual exceeds a certain amount, the pension is affected. Should the hon. member wish to deal with this problem, I suggest he would have to do so as part of a separate piece of legislation.

Again, one would have to include provision for the kind of error which might occur as a result of a mistake in a customs situation. If an individual were to import or take with him materials which were dutiable, and they were not assessed, it could be claimed within this general ambit that he was profiting as a result of the error or negligence of a public official. What about the situation in respect of income tax, particularly refunds? Suppose an individual qualified for a refund amounting to, let us say, $200 for which he has claimed and an official, making a mistake in the decimal point, sends him a cheque of $2,000. What is to happen? The individual concerned has profited by that error to the extent of $1,800 and, in a sense, all the taxpayers of Canada would be subsidising him.

The second principle I mentioned was that no member of the public should suffer as a result of official error or negligence. The Financial Administration Act, Section 23,

specifically recognizes this eventuality. I cite section 23(1) as revised in 1968-69. It says that the Governor in Council, on the recommendation of Treasury Board, may make regulations authorizing the deletion from the accounts in whole or in part of any obligation or debt due to Her Majesty or claimed by Her Majesty which does not exceed $5,000. The second part of the paragraph says that obligations, debts and claims so deleted from the accounts during any fiscal year shall be included in the public accounts for that year. So, the principle with which the hon. member is concerned is already recognized in legislation. I will return to this point in a few moments.

• (5:20 p.m.)

Let me deal briefly with the third principle. I stated at the beginning of my remarks that every reasonable precaution should be taken in the first place to prevent the occurrence of an error or its reoccurrence later on. Just how do you prevent mistakes, Mr. Speaker, when there are literally tens of thousands of individual cases involved, tens of thousands of separate events in the course of a year handled by public servants? How do you eliminate or minimize human error—because this is really what we are talking about in this general area. I suppose we are really asking, on what sort of principles of good management can we rely?

I suggest that there are two, in particular, that apply in this instance, that exist at the present time and which are being actively promoted and followed in the public service of Canada. The first is a pre-audit system, a system that aims to detect the kind of errors and negligence that occur before notice is sent out to members of the public. The second administrative procedure is the operational review; that is to say, there is a system of review that would ensure that the audit system is functioning properly and that suitable changes in the operation are made in time to take advantage of technological or other improvements, such as the computer.

Surely, the first thing to bear in mind here is that we are dealing with human beings. We can attempt through some system and the use of intelligence to minimize the chance of human error, but we cannot legislate it out of existence. We cannot regulate it in the sense of issuing memos and hoping that somehow or other error will go away. As long as human beings are administering systems, errors will be made. In fact, I suggest to the hon. member that no system is any better than the people who are administering it. There is a common phrase in use by those who are interested in computers, which undoubtedly are one way of minimizing human error. The phrase is "GIGO", which stands for "garbage in, garbage out". In other words, no computer is better than its input.

With all the goodwill in the world there will always be instances where members of the public receive payments to which they are not entitled. The motion before the House proposes that the government give consideration to the introduction of legislation to provide that the government assume a portion of the liability for repayment of overpayment. I, for one, am not convinced that additional legislation is required.

[Mr. Gillespie.]

There is already provision on the statute books for the deleting from the accounts of Canada of any debt due to the Crown. I refer to section 23 of the act, and I have already quoted the section. Perhaps it is important at this juncture to recognize that this amendment to the Financial Administration Act, 1968-69, replaced what had earlier been a limit of $1,000 with the limit of $5,000 to which I have referred.

It is true that the deletion of any debt from the accounts does not absolve the debtor; but normally no further collection action is taken by the government unless it learns that the debtor has acquired assets or has assets of which the government was unaware. Deletion of the debt from the accounts is approved when an investigation reveals that enforcement of collection would be possible only by inflicting real hardship on the debtor. I think we are getting here to the focus of the hon. member's concern: the question is one of inflicting real hardship upon a debtor.

I should like at this point to refer to page 9.27 of the public accounts for 1970. Under the heading "Obligations, debts and claims deleted from the public service" I find that in the year ended 1970 there were 13,910 debts deleted from the public accounts, amounting to a total sum of $3,287,521. This did not include the figures for the Department of National Health and Welfare, so I went back to see what sort of relief might normally be expected from this department. The year before, when the limit was $1,000, there were 133 debts not in excess of $1,000, and 3,722 not in excess of $100. In other words, approximately 3,800 debts were deleted from the accounts of the Department of National Health and Welfare to a total value of just under $100,000.

In the fiscal year ended 1970, most of the deletions were from the Department of National Revenue but there were significant deletions from the Department of Indian Affairs and Northern Development. Just under 3,000 debts were deleted in that instance, and there were others from the various departments, including the Department of Veterans Affairs to which the hon. member made particular reference. In the fiscal year ended 1970, 336 debts totalling $13,700 were deleted from the public accounts.

My point in referring to these figures in some detail is to emphasize that the laws of Canada, and particularly the Financial Administration Act, already recognize the principle that in cases of real hardship the government will suspend but not eliminate its claims for repayment. There is a procedure laid down for the claimant who states that his circumstances involve real hardship. If the debt is under $2,000 there is a departmental review process; if the debt is over $2,000 the matter goes to treasury board. I think it is also important that recognition of the human problem be given here. It is the current practice to allow up to five years for repayment of a debt under $1,000. In the case of larger debts individual arrangements are made.

Let me conclude, then, by stating that our laws at the present time do recognize the problem the hon. member has recounted to us this evening. Our administrators and

public servants are bound by the provisions of legislation passed by this House. Provisions for review based on hardship are operative and indeed reported on each year in our public accounts. In addition, time is given an individual so affected to repay his debt or make restitution.

• (5:30 p.m.)

In my view, the current practice as authorized by Section 23 of the Financial Administration Act meets both the tests I mentioned at the beginning of my remarks; that is to say, the test in respect of an injury to a taxpayer in the sense that no one should profit unlawfully as a result of error on the part of public servants and, secondly, that no member of the public should suffer as a result of such error. Suspension of collection—which takes place, incidentally, only after non-collectability has been clearly established—ensures that no hardship is inflicted on the debtor. The fact that collection is only suspended also ensures that no improper profit is enjoyed.

[*Translation*]

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I listened with great interest this afternoon to the introduction of a notice of motion by the honourable member for Victoria-Haliburton (Mr. Scott), which motion reads as follows:

That, in the opinion of this House, the government should consider the advisability of introducing legislation to provide that where, due to error or negligence of a public servant, a member of the public becomes indebted to the government—as by overpayment of a pension or allowance—then the government should, by insurance scheme or otherwise, assume a portion of the liability for repayment of the public funds paid out without authority by government error or negligence rather than exact, as now, full repayment from the recipient by arbitrary process of law or government decree.

[*English*]

Mr. Speaker, I wish to draw to the attention of this House the example used by the hon. member for Victoria-Haliburton (Mr. Scott) to illustrate his case. The motion states in part, "as by overpayment of a pension or allowance." I presume, therefore, that the hon. member's concern is directed to the recovery of overpayments made to pensioners and other recipients of federal benefits.

Since the hon. member makes mention of pensions and allowances, and since on the basis of probability, in view of the large number of transactions involved, this is an area in which overpayments from all causes are likely to arise, I am confining my comments to experience in the administration of old age security pensions, the guaranteed income supplement and the Canada Pension Plan. There are, of course, many other agencies making government payments to the public: for example, the Canada Pension Commission, the War Veterans Allowance Board, the Unemployment Insurance Commission, Manpower, agriculture, and so on.

In relation to the total number of accounts administered by the Department of National Health and Welfare, the number of overpayments from all causes is insignificant. When I talk about overpayments I am referring to overpayments from all causes—from administration errors to the fact that the information provided by an applicant is incorrect and in some cases amounts to an attempt to commit fraud. In fact, the administrative procedures that have been established ensure that the number of overpayments due to errors in administration are kept to an absolute minimum.

To cite one example of the type of procedure that is used to reduce administrative errors, the determination of eligibility for a benefit and the payment of the benefit itself are conducted independently of the process of verification and two independent checks are made to determine the correct amount of the benefit. In addition, persons are notified as to their entitlement to benefit, so that no person should be ignorant of the amount of benefit to which he is entitled.

It seems to me that we are dealing with a basic principle relating to rights. A person entitled to benefit has a right to receive that benefit. He should not receive less than the full amount of any benefit to which he is entitled and he should not receive any more than this amount. This principle is the basis for recovering any overpayment made to a member of the public regardless of the reason for the overpayment. The fact that an error may be due to negligence on the part of the administration, or the fact that hardships may result, is not sufficient consideration for forgiving any indebtedness which arises from administrative errors.

I ask why an individual should gain because of an administrative error even if he suffers because of this error. If, for example, a person were paid too little in relation to his entitlement, the error would soon be made good. If he is compensated for any loss which may be due to error, then in justice he should repay any undue gains arising from the same cause. If, due to a computer error, a recipient received a cheque for $1 million—and this has happened in the past—should the individual be entitled to the $1 million? The answer is, of course not. The legislation is quite specific on this point and is designed to safeguard both the individual and the privy purse.

Most people are fully aware of the amount of pension to which they are entitled, either because they are given some form of notice of the amount they should receive or because they know the amount of the payment which they receive each month. If they suddenly receive a payment which is more than the amount specified in the notice or more than their customary payment, the very least they should do is inquire from the administration the reason for the difference. If a person accepts the payment knowing full well, or even with some misgivings, that it is more than his entitlement, then why should he be relieved from part or all of the burden of repaying the excess?

Since the motion is silent as to question of large versus small repayments, I must assume that it refers not only to the situation in respect of small overpayments but to all overpayments regardless of the amount. In this latter respect, surely we cannot be considering relief, partially

or otherwise, where a person has derived a substantial benefit either at one time or over a period of time, even if this is attributable to administrative error.

Mr. Speaker, the Department of National Health and Welfare considers very carefully whether the recovery of an overpayment is likely to cause hardship, and this circumstance is taken into account in the recovery process. If the overpayment is large, so that its repayment results in an onerous financial burden on the person concerned, arrangements are worked out whereby the repayment is made over a period of time by small instalments, so as to minimize as much as possible the hardship to the individual making the repayments.

Of course, for such a procedure to be effective the administration must either be aware of the person's circumstances or it must be able to determine this from other information available. For example, in the case of overpayments which are recovered from recipients of the guaranteed income supplement, the administration would be aware that people in this group have low incomes. In respect of recovery this would be taken into account and reimbursement would be in very small amounts. Therefore, in situations where overpayments arise for whatever reason, barring fraud, it is incumbent on the individual to communicate with the administration and arrange a scheme for recovery which would minimize hardship.

• (5:40 p.m.)

I should like to mention that some consideration has already been given, in legislation passed in this House, to a situation whereby hardship may arise in respect of the recovery of overpayment. I refer to the recent amendment to the Old Age Security Act which was passed on December 17 and received royal assent on the following day. Under this legislation, the period in which overpayment has been made and for which recovery can be effected has been limited to two years, comprising the current benefit year and the year preceding the current benefit year. This provision will apply to all senior citizens who are eligible to receive the guaranteed income supplement.

The intent behind this legislative change is to recognize that pensioners eligible for the guaranteed income supplement fall into low income categories and that recoveries of overpayments incurred over a longer period could result in considerable hardship. I should mention, however, that while this legislation limits to two years the period in which overpayments occur, it is not applicable where the pensioner has made a wilful misrepresentation or has committed fraud for the purpose of obtaining a benefit.

It is my belief that departure from the established recovery procedures would at least be unwise, if not outright folly. Moreover, the concessions which have been made to our senior citizens who are in receipt of the guaranteed income supplement recognize the special circumstances of this group. Furthermore, I am convinced this House would not be acting in the public interest were legislation passed that forgave indebtedness to the Crown regardless of the cause, and especially where large sums of money are involved.

[*Translation*]

And finally, Mr. Speaker, I am satified with the way in which the government passed the legislation mentioned by the hon. member for Victoria-Haliburton in his motion and which, as he himself admitted, was to set a two-year recovery limit for low-income people who would have received overpayments. This, I think, is a question of justice and as this was a marginal group for income purposes, the government agreed to amend the Old Age Security Act on December 17.

Mr. Speaker, if we look at the hon. member's motion, we can see that he wished to tell the House that this might be very beneficial for those who have been paid benefits over and above their regular allowance, but it seems to me it would be grossly unfair with regard to the administration of public funds for which the government is responsible.

Mr. Speaker, in concluding, I wish to congratulate the hon. member for having introduced this motion and I know that he had probably forgotten that on or about December 17 a bill was introduced for the purpose of providing for what seemed to have caused some hardship to those who fortunately had been paid more than what they were entitled to. He will agree that in its capacity as guardian of public funds in Canada, the government must provide efficient administration.

Perhaps also I could say that the federal administration is assuredly the best government administration in all the country for never have I seen here in Ottawa so many dedicated civil servants working not for money, but for the sake of work well done. They are highly conscientious. In fact, because I know them, I admire them. I have had occasion to talk to them, to ask them for statistics. Even when their work was most demanding, they always showed me remarkable kindness and courtesy, for which I am grateful. These faithful public servants are unknown to most. I hope there will be some public recognition of Canada's debt to them, and a reward of some sort. They are entitled to our attention, our courtesy and our appreciation and I hope they will continue to carry out the functions to which they are dedicated, the service of the world's most beautiful country, Canada.

[*English*]

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, before becoming involved in a discussion of the merits of the resolution itself, there are two or three observations I feel compelled to make concerning the language of the notice of motion. First, the motion reads in part:

> —the government should consider the advisability of introducing legislation to provide that where, due to error or negligence of a public servant, a member of the public becomes indebted to the government—

Further on in the motion we see a recurrence of that type of language where it reads:

> —then the government should, by insurance scheme or otherwise—

I shall have something to say about that in a minute.

—assume a portion of the liability for repayment of the public funds paid out without authority by government error or negligence—

So we are talking about payments made without authority by the government, due to the error of a public servant. The basic difficulty involved is that although we all know, or suspect, that a good many people in all their dealings with government welfare schemes try to put one over on the government or on the public, as it were, in an effort to cut corners and play all the angles, the fact is that while this suspicion exists, most people in the category of having been overpaid in respect of their pension scheme or individual welfare program act in good faith and with good intentions and very little blame should be attributed to them.

• (5:50 p.m.)

What makes it difficult is that the recipient being honest and acting in good faith does not necessarily mean the mistake rests with some malfunction in the government. I refer to the numerous cases that have arisen where a welfare recipient happens to be at the same time a recipient of another benefit from a totally different source. One can imagine the situation that might arise with a veteran who has a disability, who is over 65 years of age and who perhaps has a small income-producing property or an interest-bearing investment.

The qualifications for receiving some of these benefits are dependent upon the source of income and the financial position of the recipient. Indeed, when a recipient is a beneficiary under several plans the situation is extremely complicated for him or her, and often entirely without any ill-intention by the recipient and without any error by the government it can turn out that after several months, and in some cases several years, an applicant who has in good faith filled out a form is rendered ineligible for a certain type of welfare payment. Often the reason is that he is receiving a disability pension, a private pension or income from interest on an investment which he has not declared and which makes him ineligible for the welfare payment he has been receiving for several months. He would have required the aid of a very competent solicitor to understand all the intricacies in the first place, and surely we should not expect people who apply for welfare to seek the advice of a solicitor before doing so.

The information filed with an application has to come primarily from the applicant, so there can be no possibility of error by the government. People may think the government should assume liability for these overpayments, but I do not think it should. I suggest even more important and to the point is that much of the difficulty which applicants experience in making separate applications for welfare schemes is that they run into a mass of red tape. I think we all know, as Members of Parliament, that if we are to help people in their relationship with the Department of National Health and Welfare, it is not in attempting to persuade them they are not entitled to benefit but, rather, in helping to cut through the red tape they have to endure in order to get their applications processed.

Let us bear in mind that consideration of the application is based on the presumption that the facts are supplied by the applicant. The government must proceed on that basis, because any other assumption would require a team of investigators that would in total match the existing staff in the department. Therefore it is imperative that the applicant supply the information. That being the case, the matter is already sufficiently complicated without superimposing stringent, independent insurance coverage or some kind of insurance scheme so that if an overpayment occurs the application has to be subject to an insurance claim to determine whether everybody has taken the proper steps. The way in which insurance is now handled has become a standing joke on television. People have had many laughs about red tape encountered in dealing with the government, but they get as many laughs out of insurance schemes which tend to drop people who make the slightest error in reporting their situation.

I suggest that the way we proceed at present is the most efficient, and that the applicant must provide the correct information. There are times when the situations of applicants are extremely complex. These situations have to be faced by both parties. When this occurs, I submit that the approach now adopted by the government is the best possible. First of all, unless deviation from the norm has been most flagrant it is rarely suggested that people should be prosecuted for knowingly receiving an overpayment. No doubt some people who received overpayments knew they were getting more than they were entitled to, yet prosecution is not mentioned. That, in my opinion, is as it should be.

Mr. Kaplan: Mr. Speaker, would the hon. member permit a question?

Mr. Jerome: I prefer not to be interrupted while making my remarks. I would prefer to wait until six o'clock.

Mr. Kaplan: My question is brief. Is the hon. member aware of the extent to which overpayments occur in a given period? For example, how much has been paid out in overpayments this year?

Mr. Jerome: No, Mr. Speaker, I am not. I can answer a brief question briefly, for once in my parliamentary career. Frankly, I am not sure that it would change my view in any case.

In conclusion, I submit that the words used in the motion imputing error or negligence to the government, and the words in its final sentence indicating that at any time the exactment of repayment is by arbitrary process of law or by government decree, suggest an authoritarian approach which in my experience does not exist. In any case, I submit that to change the approach taken at present would require applicants to assume the legal significance of an application for insurance or an application for a pension scheme, and would increase existing

red tape by superimposing a structure which would build another labyrinth in order to accomplish a solution. I therefore submit that the notice of motion should be rejected and that the present situation, which has been rather excellently handled by the department, should be continued.

The Acting Speaker (Mr. Richard): Order, please. I am sorry that we cannot hear more of the eloquent pleas of the hon. member. It being six o'clock, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

STATUTORY INSTRUMENTS ACT

PROVISION FOR EXAMINATION, PUBLICATION AND SCRUTINY

Hon. John N. Turner (Minister of Justice) moved that Bill C-182, to provide for the examination, publication and scrutiny of regulations and other statutory instruments, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, the dry title "statutory instruments" rather belies what I believe to be the importance of this bill. I feel it is a significant step toward a more open society in Canada and constitutes a major legal reform in the area that lawyers and parliamentarians have called subordinate or delegated legislation. It represents the first step to be taken by the government in fulfilment of an undertaking given on behalf of the government by my colleague, the Minister of National Defence (Mr. Macdonald), who was at that time President of the Privy Council, to the House of Commons on June 16, 1970. At that time the minister, in outlining the government's proposed course of action in relation to the recommendations contained in the third report of the Standing Committee on Statutory Instruments which was tabled in the House on October 23, 1969, stated to the House as follows:

> Due to the nature of the committee's recommendations it is not practical, nor is it reasonably possible, to proceed with their implementation by any one means. Rather, implementation of the committee's recommendations will require action of three different kinds: first, legislative action by Parliament to replace the existing Regulations Act by a new statutory instruments act; second, a number of cabinet directives to implement several of the recommendations which cannot be dealt with by general legislation and, third, amendment of the Standing Orders for the purpose of establishing a scrutiny committee to review regulations.

Before the coming into force of this bill it is the intention of the government to implement the second part of the undertaking by issuing the appropriate cabinet directives to deal with departmental directives and guidelines and the conferring by legislation of regulation-making powers. The cabinet directive relating to departmental directives and guidelines will be in accordance with what was stated by the then President of the Privy Council to the House in these words:

> Departmental directives and guidelines that might reasonably be interpreted as affecting the rights of members of the public in a legal sense will be required to be submitted to the Deputy Minister of Justice before they are issued. The Deputy Minister of Justice will make a report to the person desiring to issue the document indicating whether the proposed directive or guideline is essentially legislative in its nature and, if so, whether it would be appropriate to incorporate it into regulations or, where there appears to be no authority to do so, whether the relevant statute should be revised with a view to conferring such authority.

The directive relating to the conferring by legislation of regulation-making powers will set out certain criteria which should be as closely adhered to as possible. It is my intention to recommend that regulation-making powers such as the following should not be granted except after careful deliberation:

(1) Power in a statute or in a regulation made thereunder to exclude the ordinary jurisdiction of the courts;

(2) power to amend or add to the enabling act or other acts by way of regulation;

(3) power to make regulations having retrospective effect;

(4) power to subdelegate regulation-making authority;

(5) power by regulation to impose a charge on the public revenue or on the public other than fees for services;

(6) power to make regulations which might trespass unduly on personal rights and liberties; and

(7) power to make regulations involving important matters of policy or principle.

In other words, the criteria which I tend to recommend to my colleagues in the government will exclude the granting of powers such as I have just enumerated. The third part of the undertaking will be implemented by recommending to the House the amendment of the Standing Orders to provide for the establishment of a parliamentary committee to review statutory instruments.

Some hon. Members: Hear, hear!

• (8:10 p.m.)

Mr. Turner (Ottawa-Carleton): On this day of the Gaelic, the learned House leader will introduce it in due course.

This bill is the first major revision of the law relating to delegated legislation. The Regulations Act was enacted in 1950 and, subject to the consequential amendments made to it when the Official Languages Act was passed in July of last year, it has existed without amendment since it was originally enacted. Since the enactment of the Regulations Act there has been a gradual and continued

growth of government, bringing in its train a proliferation of regulation-making bodies.

As a direct result of the exercise of regulation-making powers by these bodies, the number of regulations that are being made has greatly increased and the lives of all Canadians are now directly affected by regulations. It is obvious and self-evident that the direct result of this increase of delegated legislation has been a gradual erosion of the power of Parliament in its role as guardian of the people of Canada.

In recent years concern has been expressed by members of the public as well as by Members of Parliament relating to the increase of legislative powers being given to the executive without any realistic form of parliamentary control. I deeply share the concern of those individuals. This legislation, together with the other steps that I have outlined, is an attempt to restore a measure of parliamentary control over the executive and to redress the imbalance in the relationship between the individual and the state. The growth of modern government has meant an alienation of much of our citizenry. The size and anonymity of government has deprived the individual citizen from participation in the decision-making process. The anonymity and remoteness of government has left an imbalance between the citizen and the state. We are looking for new ways of increasing methods of redress, recourse and appeal for the average citizen against the government over which he must have the ultimate control.

The statutory instruments bill is the latest step in the continuum of law reform directed to the protection of individual rights from the power and remoteness of modern government. This continuum includes such measures as the new law regarding expropriation, the Federal Court Act passed before Christmas, the Tax Review Board Act, also passed before Christmas, and the National Law Reform Commission. In the future it will include laws relating to the right of privacy and other human rights.

In the preparation of this bill, the third report of the Special Committee on Statutory Instruments, prepared under the chairmanship of the hon. member for Windsor-Walkerville (Mr. MacGuigan), was extremely valuable. To the chairman and members of that committee I express my appreciation for the excellent report which they made. That report formed the basis upon which the legislation now before the House was drafted.

At the committee stage I intend to render an accounting to the Standing Committee on Justice and Legal Affairs. I will compare the report with its implementation in the form of this bill. We were not able to accept all the recommendations. I will attempt to explain to the committee and the House where we departed from the recommendations and why we did so. Generally speaking, the non-partisan report of the special committee of the House of Commons has been in large measure implemented in this legislation.

It is the government's intention to implement the recommendations of the special committee to the fullest extent possible in the manner that I have outlined. The government in no way denies the desirability of fully implementing all the recommendations of the committee, but it was decided that full implementation of certain recommendations was not possible due to a number of practical problems which we found when preparing this legislation. To explain where we have departed from the recommendations of the committee would require a full explanation of the details of the bill. If hon. members will permit, I will not at this time attempt to outline or justify those departures. I intend to do so at the courtesy of the committee.

One of the main features of this bill is that it is designed to protect the public from the improper or unusual exercise of power that has been delegated by Parliament. This will be done in three different ways. First, most proposed regulations will be required to be submitted to the Clerk of the Privy Council who, together with the Deputy Minister of Justice, will be responsible for examining the proposed regulations to ensure four things: first, that they are authorized by the statute pursuant to which they are to be made; second, that they do not constitute an unusual or unexpected use of the authority pursuant to which they are to be made; third, that they do not trespass unduly on existing rights and freedoms and are not, in any case, inconsistent with the purposes and provisions of the Canadian Bill of Rights; and fourth, that the form and draftsmanship of the proposed regulations are in accordance with established standards.

The examination procedure will be carried out by legal officers of the Department of Justice before a regulation is made. It is hoped that at this stage in the regulation-making process any proposed regulation that fails to meet the criteria which I have just enumerated will be revised in such a manner that, having regard to those criteria, it becomes acceptable to the Department of Justice and to the person or body that proposes it.

Although it is not my intention to deal with individual provisions of the bill at this time, I do not wish any hon. member to be left with the impression that it will be possible to carry out the examination I have mentioned for all proposed regulations. If asked to give an example of the type of regulation for which an exemption from examination may be proposed, the regulations made under the National Defence Act would immediately come to mind. I am advised that the daily orders for the Canadian Forces alone number in excess of 2,500 each week.

Mr. McIntosh: Mr. Speaker,—

Mr. Speaker: I suspect the hon. member for Swift Current-Maple Creek (Mr. McIntosh) is seeking the floor for the purpose of asking a question. This can be done if the minister grants permission. Is this agreed?

Mr. Turner (Ottawa-Carleton): Agreed.

Mr. McIntosh: I wish to ask a question before the minister leaves that part of his speech. The minister said

the regulations will be left to the scrutiny of the judicial officers of his department. Will he tell the House what they intend to do about the interpretation of any word or phrase in these regulations? Will they give a definition if it is required?

Mr. Turner (Ottawa-Carleton): At that stage the primary purpose will be to see whether the regulations meet the criteria. The ultimate interpretation, in one sense, lies with the scrutiny committee of Parliament. In a wider sense, the courts of this country will be called upon, if the regulation is challenged, to interpret whether the regulation is intra vires or ultra vires of the enabling statute. The interpretation of words will not be the primary purpose at this stage.

Mr. McIntosh: There will be no change in the present system?

Mr. Turner (Ottawa-Carleton): There will be a change in the present system. There will be a judicial scrutiny by the Department of Justice to ensure that the four criteria are followed. The second safeguard to be provided by this bill is to give to the members of the public a statutory right of access to statutory instruments, which includes regulations. This right of public access, coupled with the fact that most regulations will be required to be published in the Canada Gazette, will enable the public to be informed of the provisions of laws that are of particular interest to them; that is to say, laws that become laws because they are statutory instruments or regulations passed pursuant to an enabling power in a statute of Parliament.

Although it is contemplated that there will be exceptions to the general rule that every regulation must be published in the Canada Gazette, the right of members of the public to inspect and obtain copies of those regulations will not thereby be denied. In only very limited and necessary circumstances will the right of public access to statutory instruments be precluded. I imagine the committee will want me to enter into more detail in this respect. It is expected that public access will be precluded in respect of instruments such as orders that reveal the location of any unit of the Canadian Forces or the location of any ammunition, weapons or equipment for use by the Canadian Forces, and parole certificates and mandatory supervision certificates issued under section 10 of the Parole Act. Exceptions such as the examples given are necessary to protect, in the first case, the security of the country and, in the second case, the interests of the individual.

• (8:20 p.m.)

The third way in which the rights of the individual will be protected from the regulation-making power of the state is by the requirement of clause 26 of the bill which provides that most statutory instruments will stand permanently referred to any parliamentary scrutiny committee which is established. It is my hope that the members of the scrutiny committee will be able to find the time to examine all regulations, but especially those that have wide application to the public. In this way, members of the public will be assured that Parliament is at least aware of those regulations which have an impact on their daily lives.

The statutory instruments bill is wider in its application than is the present Regulations Act. As already noted, the bill deals with statutory instruments generally, whereas the Regulations Act deals only with regulations. In addition, the law relating to regulations has been significantly extended to deal with matters such as rules, orders or regulations governing the practice or procedure in proceedings before federal judicial or quasi-judicial bodies, regulations made by federal Crown corporations and regulations made by any federally-incorporated company where a penalty, fine or imprisonment is provided for their contravention. These regulations will now come within the meaning of the word "regulation" as defined in the bill and will be treated in the same manner as any other regulations, with the exception of the Federal Court and Supreme Court of Canada rules where there will be no examination as to form and draftsmanship.

I thank the House for its courtesy. Many of the provisions of this bill are technical in nature and, as a result, I anticipate that a number of questions will be asked at the committee stage. Again I point out that the bill was fathered by a special committee of the House and the government has done its best to implement as fully as possible the recommendations of that committee. I look forward to appearing before the standing committee just as I had the honour of appearing before the special committee when it was considering its report.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, perhaps this is an appropriate time of the year to be considering a subject with such mysteries as statutory instruments, subordinate legislative capacities and statutory authority. All of these have a fine mystic ring to them. Another great mystic gift which appears at this time of year is the dish of haggis, which is almost impossible to describe as to contents and almost impossible to feed to a large number of people. But for the connoisseur, what a dish is haggis! And for the connoisseur parliamentarian, I suggest we have an equal feast before us, something with which perhaps only a few directly concern themselves but when you get immersed in it you find yourself really fascinated because it is one of the basic questions before Parliament.

I think the guts of the bill, if I may use that expression, are to be found in clause 26. I appreciate the minister's saying in his opening statement that there would be a quick establishment of the committee. I think this is important. Clause 26 provides:

> Every statutory instrument issued, made or established after the coming into force of this act, other than an instrument the inspection of which and the obtaining of copies of which are precluded by any regulations made pursuant to paragraph (d) of section 27, shall stand permanently referred to any committee of the House of Commons, of the Senate or of both Houses of Parliament that may be established for the purpose of reviewing and scrutinizing statutory instruments.

Since the principle of the bill is really embodied in this clause, perhaps I may comment on it for a few moments

and predict the events which will follow. First, I would hope that the review and scrutiny provision would be somewhat broadened and that there would be added an opportunity, if one is not contained in the wording already, to comment and to make suggestions. I presume this is what one has in mind in establishing such a committee. I think this right should be spelled out. However, this is a detail which we can examine when we get into committee.

I would hope that any Member of Parliament or any member of the other place confronted with a problem involving the scrutiny of statutory instruments would have immediate recourse to the committee to be established and would be able to muster that committee almost immediately to deal with the problem he or she brings there. Let me be specific. A few weeks ago the Minister of Transport (Mr. Jamieson) passed regulations, as he was given authority to do under the Motor Vehicles Safety Act which was passed by Parliament a few months ago. Immediately, most of us received form letters from motor cycle enthusiasts saying there was something wrong with the regulations, that they impinged upon their freedoms and should not have done so. I will not go into whether or not their complaint was justified. The point I would make is that there should be an instant remedy open to people and complaints that such groups raise should be brought somewhere where they can be looked at and satisfaction obtained.

I hope that when the scrutiny committee is established it will give every parliamentarian in this or the other place an opportunity to immediately take up questions involving the use of statutory instruments and obtain at least an answer. This would make the work of the committee all the more real to every Member of Parliament. I hoped that the committee would be a joint committee, that is, of both Houses, for the simple reason that the other place has a continuity that this place does not have in certain years, usually every fourth year when we become fractious, obnoxious and engaged in that great sport the federal election. Since the people in the other place are immune to that, they would give continuity to the committee and I think this is important.

I would further suggest to the minister and to the leader of the House that it be a small committee; I have in mind something of the order of ten members. I do not think it is a great problem how many government bodies or opposition bodies you have on it. I do not think the vote would be partisan. I see it more as a committee where the vote would be as independent as one could have from parliamentarians in a set-up such as that.

So much for the main clause of the bill, what I should like to see done and the kind of committee I should like to see established. I think, also, it should be a committee with fairly senior personnel of great experience with statutory instruments. The minister nods agreement, and I presume this will be the thinking of the committee. In any event, the reputation of the committee will rise or fall depending upon its ability to deal quickly, as intelligent persons, with the work referred to it.

• (8:30 p.m.)

Now may I say a few words about one of my hon. friends who is not here this evening, the hon. member for Peace River (Mr. Baldwin). He deserves considerable credit for the fact that we are now debating this bill. He has been an advocate of such action for a considerable time, and I will prove that by making two references only. The first is to the debate in June, 1965, when the procedures of this place were being discussed in the House. At that time the hon. member for Peace River made a motion to set up among the committee of this House one on delegated authority. The Prime Minister of the day, Right Hon. Lester B. Pearson, made other suggestions, but let me quote what the hon. member for Peace River said, as reported at page 2276 of *Hansard:*

> In the first instance, he said, there is consideration being given to setting up a royal commission to inquire into the necessity for an ombudsman.

I see the hon. member for Red Deer (Mr. Thompson) pricking-up his ears and I am sure that later in the debate he will be speaking to that aspect of the matter.

> Second, he thought the committees, as constructed and set up by this particular section we are discussing, would provide an opportunity to examine into the very dangerous situation which prompted me to move this amendment. I refer to the very increasing extent to which government, particularly the executive branch of the government, is operating with the aid of Orders in Council.

The hon. member continued his argument. I cite his words not only to prove that he was on the right track then and that finally his patience and persistence paid off, but to pay tribute to one of our truly great Members of Parliament. He returned to the fray on September 17, 1968, in the debate on the Address that year, and as reported at page 107 of *Hansard* said:

> There should be a committee on delegated authority.
>
> I do not have too much time but I must stop here for a moment to emphasize this tremendously important issue. Most of the regulations and most of the authorities which affect the ordinary person in Canada, together with the pressure of large government corporations or crown companies, have come about as a result of authority which this Parliament has delegated to others to exercise on its behalf. We live in one of the very few democratic countries that have taken no steps to provide an opportunity for the ordinary man and woman, through the medium of a committee such as I have proposed, to ventilate and bring forth his argument in respect of any grievance he may have which has arisen not because of an act of Parliament but because of something done under authority given to others to act under an act of Parliament. This has a grave effect on our democratic society.

So on at least two separate occasions in recent years the opposition House leader made a very strong pitch for the sort of legislation we are now discussing. I now turn to some of the other reasons why it is an absolute necessity to pass legislation such as this and establish a committee of the House along the lines proposed. Professor J. R. Mallory, in his report "Delegated legislation in Canada: Recent changes in machinery", as reprinted in the Canadian Journal of Economics and Political Science, volume 19, which was published about 18 years ago, dealt with the experience in this regard of the government of Canada during the last war.

He pointed out that it would have been impossible to carry on the work of government without making very vast changes in the machinery of the Prime Minister and cabinet of that day; without those vast changes it would have been impossible to bring about the flood of Orders in Council and other documents from on high, if I may use that description. I suppose it was natural that that sort of philosophy should spill over into the post-war period. At page 471 of the journal to which I have referred, Professor Mallory says the following about this problem:

> —we may conclude that the central executive machinery of the government of Canada has undergone considerable change and adaptation to meet the needs imposed on contemporary government. Functioning under the 1939 procedure the central executive would have broken down in a few weeks under the burden of ordinary government operation today. This change and improvement has taken place rapidly and quietly on ministerial (and, no doubt, official) initiative. It demonstrates again the remarkable flexibility of cabinet government. It remains to be seen how far Parliament, the public, and political parties can adjust themselves to the challenge of the administrative state.

Perhaps it is of interest to note that we are entering upon a period that seems to be more challenging than recent times, more economically uncertain than recent times and one where we may have to prove ourselves a great deal more flexible. This is particularly true of the reaction of the government to financial events. If the challenges were immense in time of war and more immense in the post-war period, I suggest they may be even more immense in the days that lie ahead.

Having listed my reasons for saying that a measure to establish such a committee is necessary, I would also point out that about three out of every four statutes that parliamentarians pass contain at least one section that enables regulations to be made. In the committee referred to by the minister there was presented a special study made by Madame Immarigeon, of our parliamentary library, which revealed that 303 of 416 statutes examined contained power to make subordinate laws. The report she gave the committee showed that 6,892 regulations, covering 19,972 pages, were published during the period January 1, 1956, to December 31, 1968, averaging 530 regulations per year. That did not take into account regulations exempted from publication and documents of a legislative nature but not officially considered to be so. An example of this would be handbooks of directions to pilots.

Perhaps the most telling point of all as to the importance of such a committee is that the major legislation in the field of immigration consists of regulations that are passed, not the statutes themselves. So I would think there is agreement among all members that it is important to get this committee established, to get it a good staff and to put it to work.

I should like to make reference to what I think may be a weakness in this legislation, certainly something that will have to be considered when the bill is studied in committee. According to our advisers, under clause 9 of the bill it will still be possible to enact retroactive regulations. This is in conflict with the recommendations of the committee that there should be no power to make regulations having a retrospective effect. I think that recommendation is to be found at page 33 of the report of the Special Committee on Statutory Instruments. There will be considerable questioning about the departure from the committee's recommendation when this bill comes before the Committee on Justice and Legal Affairs.

• (8:40 p.m.)

My final concern is that the measure will be considered by that committee rather than by a committee of the whole House. The committee of the whole House is not frequently used, but when it is much enthusiasm in respect of parliamentary business occurs in this place. Certainly that was the case with respect to the electoral laws. When dealing with something as important as this bill, I would be inclined to say that it should go to committee of the whole House because it is basic to the operations of Parliament.

The minister has pointed out that there are technicalities involved in the law dealing with statutory instruments. He is perfectly right in that respect. I have had some difficulty making up my mind whether it would be a good thing to have this measure go to committee of the whole House or to our committee of legal experts. On balance, I suppose it is better that it should go to that committee. I think consideration should be given to setting a period of time for the consideration of statutes such as this by a committee of the whole House. I hope the government House leader and the leaders of other parties will consider such a formula.

Mr. McIntosh: Why legal experts only?

Mr. McCleave: The hon. member for Swift Current-Maple Creek (Mr. McIntosh) asked why it should be a committee of legal experts only. I was arguing that it should not be one of legal experts only. The difficulty is that when we consider anything in committee of the whole House, everyone enjoys it so much they want to stay for the rest of the winter, and that tends to knock askew all the other business with which Parliament is seized.

Perhaps I should repeat my suggestion. In respect of a measure such as this, thought should be given by the House leaders to putting it before committee of the whole for a set period of time. If the measure could not possibly emerge from the committee in the time set, it could be sent to the special committee. I make that as a suggestion. The principle of this bill is one we have sought for a long time. We look forward to working on it in a non-partisan but vigorous way in the committee in order to make it a fine piece of legislation for the protection of our rights as parliamentarians as well as the rights of those Canadians whom we serve.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I hasten to remove from the debate any element of drama or suspense that may linger by making the announcement that we, too, support the principle of this bill and will

vote for it on second reading. Perhaps the reason for this is that the bill, as the minister has made clear to us, is the result of an excellent, non-partisan report of an all-party committee. It was a small committee which studied this matter and worked on it thoroughly, and I think it produced a report that we can all support. Let me read as a basis for our support of the bill the first paragraph of the committee's report, because I think this is important:

> This report is based on the assumption that public knowledge of governmental activities is the basis of all control of delegated legislation. For parliamentary democracy is a system of government which requires that the executive be responsible to the legislature and that both be accountable to the people, and there can be neither responsibility nor accountability where there is no knowledge of what has been done. In political matters knowledge is the beginning of power, and its lack, impotence.

The bill is technical in nature, as has been made clear by those who preceded me in the debate. Technical or not, it is a significant advance in the attempt by Parliament to control subordinate legislation. Some people have objected to the immense proliferation of subordinate legislation. But the complexity of our times is such that it is absolutely ridiculous and would indeed be Canute-like to object to the fact that there will be a great volume of subordinate legislation.

However necessary subordinate legislation may be, it can also be dangerous if certain conditions are attached—if it is secret and if it is not scrutinized by representatives of the people. The point of this legislation, as I understand it, is that it seeks, through providing for publication and scrutiny, the assurance that there be adequate knowledge by the people themselves and their representatives in Parliament of legislation which affects them and their rights.

The legislation itself does not appoint, as was the major recommendation of the special committee, a scrutiny committee. That is something for this Parliament to do by its own votes. I understand that that will be an accompanying measure to the legislation that is before us. I regard scrutiny of subordinate legislation by representatives of Parliament as the key to effective control over subordinate legislation. I want to stress a point made in the report of the special committee. When the scrutiny committee is set up it should have the power, in its discretion, to refer regulations to other standing committees for consideration. The reason I emphasize this point is that I contemplate that the scrutiny committee will be a small committee with almost legalistic functions to scrutinize the legislation from certain explicit points of view. I think it is essential that other committees of this Parliament should be used to scrutinize legislation from the point of view of substance and not only from the point of view of the legal implications.

Let me give an illustration with which I am very familiar. I have in mind legislation in the field of immigration. Those who are familiar with immigration problems know that nine-tenths of the effective administration in respect of immigration law is by regulation and not by the Immigration Act. It is many years since we changed the Immigration Act. The immigration regulations have been changed, and they set the basic form for dealing with people who come to this country and wish to stay or those who seek to bring their families, relatives and friends to Canada. This is all done by regulation. Those regulations should be scrutinized not just by a small legal committee, a committee on statutory instruments or subordinate legislation, but also by a committee of members of this House who are familiar with immigration matters.

I cite this merely as an illustration of the importance of having the substance of legislation scrutinized by specialist committees of the House. If we are to have effective parliamentary control over subordinate legislation, the power suggested in the report of the special committee will have to be exercised, namely, the power to refer matters to other committees.

• (8:50 p.m.)

The substance of the legislation we are asked to deal with is contained in clause 24 and, perhaps, clause 23. I do not propose to discuss at this stage the details of the clauses of the bill. Clause 23 provides for publication in the *Canada Gazette*. Clause 24 applies to the right of access to statutory instruments. Clause 25 applies to the provision of copies of instruments for those who are concerned. Clause 26, the most important of all, provides for the scrutiny by Parliament of statutory instruments. I believe this is the core of the legislation. Clause 27 is one which this House and the Committee on Justice and Legal Affairs will have to examine very carefully. It provides for exemptions. In my view, the exemptions are drawn much too broadly. I believe we will have to look very carefully at this clause. If too many exemptions are provided, I believe the bill will be robbed of its main function.

There are one or two other details to which I should like to refer. One I believe is of considerable importance, although perhaps it sounds a little technical. I refer to recommendation 6 of the report of the Special Committee on Statutory Instruments. It provides that all departmental directives and guidelines as to the exercise of discretion under a statute or regulation, where the public is directly affected by such discretion, should be published and also subjected to parliamentary scrutiny. I would say that is a novelty. At the present time we have directives relating to immigration which are not public and which are not made available even to the Immigration Appeal Board. These regulate the rights of would-be citizens and present citizens to bring in relatives. It is a discretion which is hidden from the public, and it should not be. I hope we will study this particular recommendation to see whether it can be more firmly incorporated in the legislation.

Another recommendation to which I wish to refer, although not in detail, is recommendation 19 which provides for the new committee on regulations and sets out the basis of its actions and discretion in six criteria. These six criteria are somewhat broader than the list of criteria to be given under the statute to the officials of

the government. I think we should take a careful look at that matter.

I conclude my remarks on this subject by saying that one of the major exercises of Parliament should be, and I think is, to ensure that among the myriad of public authorities, public regulations and public laws there be adequate voice given to those who are affected by the regulations. I commend this legislation because I think it is a step in that direction. Whether it is an effective step will depend not on the legislation itself but on the vigilance of the scrutiny committee and the willingness of us all to make sure that the all-embracing laws which affect this modern society are designed and work for the benefit of individual citizens.

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I thank the minister for his brief explanation of this bill. However, I believe he should have elaborated some parts of his introduction a little more, because when I spoke on the resolution which was the forerunner of this bill I expressed the hope that the proposed special commitee to be set up under the provisions of the bill would have the power to effectively police the application of the legislation which may in part be delegated to the various branches of the public service.

From reading Clause 26 it would appear that the purpose of the proposed committee would be to inspect, review and scrutinize the statutory instruments. In fact, that is exactly what the title of the bill says; it is an act to provide for the examination, publication and scrutiny of regulations and other statutory instruments. In referring to the last section of clause 26, we see that it provides:

> —that may be established for the purpose of reviewing and scrutinizing statutory instruments.

I ask the minister where the committee would go from there, after it has scrutinized. It seems to me an exercise in futility if having scrutinized the instruments, and so on, they have no power to do anything. If there are no teeth in the legislation, and if they should find a discrepancy or misinterpretation, what use is the committee? I can think of several pieces of legislation with which I have had to deal since I have been a member of this House, in respect of which no agreement has been reached concerning certain clauses because of lack of definition, because of lack of boards to deal with these matters and because there was no acceptance of the dictionary interpretation, such as there is in our courts. Therefore, our constituents do not have, through their Members of Parliament, recourse in fighting the injustices we have been talking about.

I suggest that the terms of reference of this committee are not broad enough. The committee should have the power to take effective action after it has inspected, reviewed and scrutinized. The committee should have power to adequately control the present arbitrary, unsupervised exercise of power by the bureaucracy. Otherwise, as I have said before, the whole thing is an exercise in futility.

The hon. member for Halifax-East Hants (Mr. McCleave) said he hoped every member of this House would be able to bring some problems before this committee to be rectified. I suggest that if the bill passes as it has been presented to this House, without any teeth by which to act, it will just be another exercise in futility for members to bring problems to the committee. Members of the committee may agree or disagree with the member, but their hands will be tied if there are no teeth in the legislation.

If there is one thing we as Members of Parliament are charged with, it is to ensure equal justice to all Canadians and to protect the rights and liberty of the individual as well as the rights and liberty of minorities. We can no longer slough off our responsibilities and give unrestricted, vast power to others without supervision, as has been done in the past. Too often we have given power without ensuring that those to whom the power is delegated will exercise it unselfishly and with impartial justice.

The farming industry certainly is one which has encountered the uncontrolled and unsupervised use of delegated power, much to the detriment of the individual farmer. I intend to offer proof of this in a few minutes. Professor Henry J. Laski, one of the many constitutional authorities in Great Britain, did not agree that delegating power was a dangerous trend which should be stamped out. In his book "Parliamentary Government in England" he described delegated power as an elementary procedural convenience essential to the positive state. But having said that, he warned as follows:

> The vital thing is that Parliament should be in a position to make objection to any use of it when it deems fit—

We as members should do this because, as I said before, otherwise we will have abdicated our responsibility and our authority; we will have delegated our responsibility. He continues in these words:

> —and that it should be so able to examine what is done in its name as to make it certain that nothing to which objection can be taken escaped from its purview.

• (9:00 p.m.)

In other words, use the device but take sensible precautions. I hoped that the committee of the House proposed in this bill would have the power to ensure that these precautions were taken. I am disappointed that there are no teeth in the bill. In our case, this important point has been forgotten.

It has been proposed from time to time that setting up the office of an ombudsman would serve to overcome the situation created by the abdication of our responsibility. At one time I agreed with this, but since then I have changed my mind. To establish the office of ombudsman would merely be establishing another government official. We realize how ineffective this would be when we consider the scant regard paid by the executive and the public service to our present economic watchdog, the Auditor General. The terms of reference of the Auditor General are ineffective. He can dig out errors and mismanagement, but he can do nothing about them. An ombudsman would be in the same position. I say that this responsibility lies with us as members of this House. Besides appointing another official outside of Parliament to do a job that is clearly that of Members of Parliament,

it would not rectify the position in which we find ourselves. It would be just another abdication of our responsibility.

In my opinion, what we need is what I have stated on previous occasions, that is, a parliamentary body that will be armed with power, without regard for governmental rank or influence, one that will be empowered to pursue its own course within its terms of reference, free of direction or influence by the government. It must be strong and free enough to ride close-herd on all recipients of Parliament's delegated authority and to command their compliance and respect. The pattern of the Public Accounts Committee of this House, with its chairman drawn from opposition ranks, might be a very good one to follow. I repeat that to me the essential feature must be that its findings, reports and recommendations carry with them some compulsion on the executive or individual responsible member of the executive, the Prime Minister and cabinet members, to take subsequent action. The very least that must be done is to ensure that anything turned up by the watchdog committee receives a fair and public hearing in this chamber.

I charged a few moments ago that individuals in the farming industry were one group that has suffered economically over the years as a result of delegated power placed in the hands of public service officials. It is because of the continued abuse by officials in this field that I am deeply concerned about this bill. I had great hopes that at least we would have a procedure or a vehicle whereby Members of Parliament could regain control of the power given them by their constituents.

On December 3, 1968, the hon. member who is now Minister of National Revenue (Mr. Gray)—I am glad he is in the House tonight—is recorded in *Hansard* as having made the following statement:

> It is my understanding of the will of Parliament expressed in schedule "A" of the Customs Tariff Act that implements and machinery for farm purposes come in duty free.

I am sure the minister expressed the thoughts and understanding of most of the present members of this House, as well as the thoughts of a great number of citizens of this country. Unfortunately, the will of Parliament has not been carried out by the administrative body. Let me remind the House again of what the minister said he believed the will of parliament to be—"that implements and machinery for farm purposes come in duty free". It is very clear and simple—that any machine or implement, regardless of other uses, when it is used for farm purposes is exempt from duty.

Let us examine for a moment how the bureaucrats have eroded the will of Parliament in their administration of this directive. It is not necessary at this time to relate to the House a step by step dissertation of when the erosion of the will of Parliament started, and of each case along the way which progressively became more restrictive and further removed from the will of Parliament. Suffice it to recount the last experience I had in this regard in presenting a case to the Tariff Board when I learned from their ruling that they had closed the door completely on any implement or machine for farm purposes coming in duty free. This was a complete reversal of what was intended by Parliament. To prove my point, the presiding officer of that appeal board, in appeal No. 914, at page 93 of the transcript, made the following statement:

> If you can satisfy the board that these pumps are only for use in agriculture irrigation then they are an agriculture machine.

The chairman of the Tariff Board has recorded there the true interpretation of what the board and the department accept as the definition of the term "agricultural machines, implements and apparatus". A few moments ago I related to the House what our present Minister of National Revenue said about the clause in the act. The actual action taken by the bureaucrats and by departments and boards is entirely opposite to the statement made by the minister in the House. An implement or machine must be made so that under no circumstances can it be used for any other purpose. Any agricultural machine, implement or apparatus must only be used in the pursuit of agriculture, and for no other use, before it can qualify for exemption.

Such a ruling, as hon. members know, is ridiculous because no implement or machine has been or will be invented that is used exclusively for agriculture. Some other use can be established, if even on a one-time basis, and it is simply an "out" for the bureaucrats to say that these machines and implements may be used only in the pursuit of agriculture. Therefore, in making such a ruling or precedent—and I say it is a very narrow ruling, laid down by the board—legislation passed by Parliament is ignored or negated by those charged with the administration of the act. If a committee had been formed with the power to act, as we had hoped would be the case, many of the practices which the public has to put up with would be rectified.

I await clause by clause discussion of the bill. Perhaps the minister has a suggestion to make to the House to give power to the committee to rectify the misunderstandings and lack of definition as well as misinterpretation. What I am trying to establish is that no matter how we word our legislation, the Canadian public either benefits or suffers as a result of the application or interpretation of the legislation by those charged with its administration and enforcement.

Such application by the bureaucrats in regard to agricultural implements is, in my experience, far removed from the intention of Parliament when the legislation was originally passed. In other words, we as parliamentarians are abdicating our responsibilities when we allow the bureaucrats to twist and warp the intent of our legislation. I say we have done this, perhaps not in a great number of cases but certainly in several with which I have had to deal in my term of office as a Member of Parliament.

I regret that I, as a Member of Parliament representing people of this country, have no recourse but to plead with the minister. In most cases the minister has not been long enough in the portfolio to correct all the abuses that he knows exist within the department. This

is our system. We have built it up to the point where we cannot take back some of the responsibility that we have delegated to the civil servants. I am not blaming civil servants entirely—this is the system. It has progressed too fast for us. But here, again, I say to the Minister of Justice (Mr. Turner) that this is a vehicle whereby we can rectify some of the mistakes we have made in the past.

• (9:10 p.m.)

I am not blaming anyone in particular, but the legislation must have teeth in it. To my mind it is not strong enough in its present form. It only gives power to scrutinize. All hon. members scrutinize the regulations that come before us, but we have no power to tell the bureaucrats that they are not using a proper definition of the words—for example, that they are not putting the proper definition on the benefit of the doubt clause—and that this was not the intent of Parliament. In reply they say, "We have the power to interpret and this is what we are going to do." In fact, in a number of cases one department decides what is going into our legislation and another department has the power to interpret what the first department put in. How ridiculous! You cannot get both departments to agree, and it would appear that at present we have no instrument to reverse that trend. I would hope that this bill is the instrument we need to return the responsibility of application in the manner intended, to those elected by the citizens for that purpose.

I have mentioned one precedent established by the bureaucrats in regard to the interpretation of agricultural implements, and that is that the machine or implement must be made only for use in agriculture. Common sense asserts that such a qualification is impossible to meet. However, the bureaucrats have made their demands even more restrictive with regard to interpretation and thus have started a gradual process of making Parliament's legislative words meaningless. I cannot for the life of me understand why this or any preceding Parliament did not come up with an instrument whereby we could rectify these things that we know are going on, and stop the bureaucrats carrying on from year to year with a wrong interpretation of the legislation passed by this House.

A letter dated May 26, 1961, from the Deputy Minister of National Revenue reads in part:

> Having in mind the wealth of precedent in connection with the interpretation of the phrase "agricultural implements" as used in the Customs Tariff, much apparatus which has a purely agricultural application cannot properly be described as agricultural implements or agricultural machinery.
>
> The point at issue in each of these appeals is: can these contrivances be considered to be embraced by the phrase "all other agricultural implements or agricultural machinery, N.O.P." or are they more properly to be regarded as simply passive agricultural apparatus as a silo or a milking stall.
>
> The grain and livestock bodies at issue are utilized for containing grain and for penning up livestock during transportation. In view of past precedents and rulings of the Tariff Board, I trust you will understand my position in considering these articles of a passive nature to be not admissible under tariff item 409F, in the absence of a naming provision therein.

[Mr. McIntosh.]

A letter received from the Minister of National Revenue, dated November 5, 1968, reads in part:

> It is the position of the department that in order to qualify as an agricultural machine an article must contain mechanical features and be recognizably "agricultural." The Tariff Board set forth this principle in appeal No. 237, and it has been followed by the board on other occasions.
>
> In other words, it must be determined at time of importation whether or not an article is an "agricultural machine." The fact that one particular unit may be for use on a farm does not in itself qualify the product as an agricultural machine.

There are a number of reasons why I have quoted these two letters. Possibly the main reason, Mr. Speaker, is to establish the necessity of modernizing our procedures within this House of dealing with legislation after it has been passed, and made ineffective in its application when dealt with by the administrative body of our system. At present it would appear that Parliament has very little recourse against unfair and unintended application of legislation passed by it in good faith if the bureaucrats decide, through misinterpretation or for some other reason, to apply it in some other manner.

I would hope that the committee proposed by Bill C-182 would be an instrument to deal with matters such as I have described. I hope that when the minister explains clause 26 of the bill, he will assure the House that it is intended that the committee he proposes will have the power and the means to direct and police the application of the legislation and not merely the privilege to inspect, review or scrutinize the regulations. The committee must be given power to direct the application as intended by Parliament. I would hope the committee would have the power to correct any misunderstanding over the interpretation of any word or phrase in our legislation. I would hope it would have the power to rule that any particular word, unless otherwise defined in the legislation, would be interpreted in the manner practised in our courts rather than according to the narrow and restrictive meaning now enforced by the bureaucrats.

My second reason for quoting the two departmental letters is to show the gradual erosion of any purposeful meaning in our legislation by the rulings and precedents established by the bureaucrats without any direction by Members of Parliament on the legislation passed by them. In the letter of May 26, 1961, the deputy minister stated that the agricultural machine, apparatus or implement, because of precedent laid down by a former Tariff Board decision that the article was of a passive nature, was not admissible duty free. This is an arbitrary decision on the part of the members of the Tariff Board and it was not the intent of Parliament, because no mention of a passive or active nature is made in the legislation.

The minister may ask me why my constituents do not take this matter to court. The answer is that in most cases the amount of money involved may be only $100 or $200. The minister, being a lawyer, knows the costs of court actions. It would be poor insurance for a farmer to put up $1,000 or $1,500 to take a case to court when the amount involved is only $100 or $200. The farmer does exactly what the minister would do; he pays the $100 although he knows he should not have to pay it.

I have copies of correspondence supplied to me by other hon. members, relating to problems of a similar nature. For example, there is correspondence with regard to a wheeled applicator for the insertion of anhydrous ammonia into the soil, made necessary by new methods of farming and making former applicators obsolete. The bureaucrats ruled that the new applicator was not duty free, although the applicators it replaced had been admitted duty free. How ridiculous can their decisions become? Here is another example, Mr. Speaker. An hon. member wrote to the Minister of Agriculture (Mr. Olson) on behalf of a constituent, asking whether the constituent was entitled to a rebate of the 11 per cent sales tax on building materials used for the construction of a silo. The minister replied in part:

> I am advised that while building materials for the construction of farm buildings are not exempt from the sales tax, there is an exemption for materials and parts for the construction or repair of silos for the storage of ensilage.

A short time later the hon. member received another letter from the Minister of National Revenue, presumably written by the officials of the department, which referred to the letter written by the Minister of Agriculture. It read in part:

> Certain materials for use in the construction of silos for storing ensilage may be purchased by farmers without payment of sales tax. However, lumber and other multi-purpose materials must be purchased tax paid.

In other words, Parliament ruled as the Minister of Agriculture stated, that materials for use in the construction of silos may be purchased by farmers without payment of sales tax. However, the bureaucrats ruled that if the materials are multi-purpose, the tax must be paid. There is no material used in the building of a silo that is not of a multi-purpose nature. Therefore, the farmer pays the sales tax. If the ruling of the departmental officials sticks, the time this House took to pass that measure was just wasted. Why not let the bureaucrats run the whole country, if we are not going to return to this House some of the responsibility we have abdicated to them?

A similar situation exists with regard to grain storage bins. Under the Excise Tax Act there is provision that manufacturers or producers are entitled to sales tax exemption with respect to facilities designed, manufactured, advertised and sold for storing their finished products on their manufacturing or producing premises. The minister has ruled that farmers, being producers, are entitled to purchase grain storage bins for storing on their farms grain of their own production, free of sales tax. The two qualifying factors here are that the grain must be stored on their farms and that the grain must be of their own production.

• (9:20 p.m.)

The ruling does not specify the granary has to be used exclusively for grain storage for any specified period of time. It does not specify the manner of disposal after it has served its purpose. It does not prohibit other uses of the building if the need arises. It does not specify recovery of the sales tax in the event it is sold at a later date. In spite of all this, the officials have ruled that if the granary in question can be used for some other purpose, it is not sales tax exempt. The officials' ruling is the one that is enforced: the farmer pays.

The points I am trying to make by these examples are as follows: first, the use, or abuse, of the delegated powers of Parliament by the bureaucrats; second, the abdication of our responsibilities, as Members of Parliament, that has arisen because of our present system; third, the necessity of producing an instrument to rectify the iniquities that have developed; and, fourth, the necessity to modernize our procedures so that our social system will not develop into a bureaucratic dictatorship. I hope that the minister or the House Leader, when setting up this committee, will consider having some practical people on it. We do not want all legal minds. I hope the committee will have the power to do something about the problems that are set before it. I know there will be many problems.

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, it is with considerable pleasure and some pride that I see Bill C-182, the statutory instruments bill, before this House. As the chairman of that special committee, I want to mention the names of some people who very materially contributed to the fact that the bill is now before the House.

The first sentence of the report which this committee presented to the House reads as follows:

> This report is based on the assumption that public knowledge of governmental activities is the basis of all control of delegated legislation.

I believe that this bill is a very important contribution to the end of providing public knowledge of governmental activities. It is the fundamental basis on which citizens of this country will be entitled in future to know more about, and therefore have more control over, the activities of government. The two other pieces which I anticipate will be added to this structure of knowledge and control will be the new parliamentary committee, which I expect will shortly follow adoption of this bill, and the promulgation of certain executive directives to deal with matters internal to government which cannot be effectively dealt with in any other way.

The hon. member for Swift Current-Maple Creek (Mr. McIntosh) rightly pointed to the incompleteness of this bill with respect to the kind of scrutiny and action which will be taken by the subsequent parliamentary committee. I anticipate that that will be the substance of the changes in the rules which will be proposed by the House Leader, when the rules changes are introduced. Naturally, we will all be very interested in the substance of those changes when they are proposed.

The hon. member for Greenwood (Mr. Brewin) mentioned a matter to which all members of the committee attached great importance. That is the question of administrative interpretations which have from time to time been given to regulations. If this matter cannot be reached in any other way, I trust that it will be thoroughly and effectively dealt with by the executive directives which we expect will be promulgated by the gov-

ernment in furtherance of the policies contained in this bill.

This bill will be referred to the Standing Committee on Justice and Legal Affairs for a thorough clause by clause scrutiny. I do not propose to take the time of the House this evening to discuss the details of the bill. I will confine my remarks to a few general statements, since I will make a more detailed statement on the bill at the report state. All hon. members, whether they are members of the Standing Committee on Justice and Legal Affairs or not, will also be able to raise questions at that time.

Mr. Turner (Ottawa-Carleton): Lawyers and non-lawyers.

Mr. MacGuigan: As the minister suggests, lawyers and non-lawyers. I wish to pay tribute to a number of members opposite for the very great contribution which they made to the presentation of the report by the Special Committee on Statutory Instruments—which is the basis of this present legislation. I wish to pay tribute to the hon. member for Halifax-East Hants (Mr. McCleave), who is in the House this evening. He and the hon. member for Greenwood were pillars of strength on the committee. They made very material contributions to the report which was presented.

I also wish to mention the hon. member for Peace River (Mr. Baldwin), who is not in the House this evening but who was a very active member of that committee. Also present for the debate this evening is the hon. member for Brome-Missisquoi (Mr. Forest), the hon. member for Sault Ste. Marie (Mr. Murphy) and the hon. member for Hamilton-Wentworth (Mr. Gibson), all of whom were very active members of the committee. I thank them for their contributions. By not mentioning the names of all members of the committee I do not want to suggest that they did not make as full a contribution. Indeed, they did, but it would be tedious to go through the whole list. However, I want to thank all members of the committee.

At this time I want to say a special word of thanks to certain members of the government. In his presentation before the committee, the Minister of Justice (Mr. Turner) urged us to present a bold report and to press the government to reveal areas which had hitherto not been considered to be matters of public knowledge. The leadership of the minister and the then President of the Privy Council were very instrumental in helping the committee to present its report and in getting the report before the House. I also thank the present House Leader for giving this matter a relatively high priority on the list of government bills.

Some hon. Members: Hear, hear!

Mr. MacGuigan: I want to mention the two counsel who assisted the committee, Dr. Gilles Pépin, now of the University of Montreal, and Mr. John Morden of Toronto. They were of considerable assistance to the committee throughout the hearings and in the preparation of the final report.

Some hon. Members: Hear, hear!

Mr. MacGuigan: I make these comments to illustrate the contribution which a great many people made to the report and to this bill, as well as to other implementations which the government will be bringing forward. This is a genuine team effort. I thank members from both sides of the House. I take great satisfaction from the fact that the report is far-reaching and that in presenting this bill the government has maintained the thrust of the committee's recommendations. This matter is of sufficient importance to mention at this time so that the House will take formal notice of it. I reserve any further comments until I have the opportunity of participating in discussion at the committee stage. I will then have some words to say at the report stage.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I was very pleased to hear the hon. member for Windsor-Walkerville (Mr. MacGuigan) remind us of the exhortations of the Minister of Justice (Mr. Turner) that the committee bring forward a bold report. The committee may have acted in that regard. However, I wish the minister had been as persuasive with his colleagues so that we would have had a bill which measured up to the level of his exhortations.

• (9:30 p.m.)

This bill is a timid, half step. I hope to demonstrate where the government and Parliament should have gone with regard to this bill. I was not a member of the Special Committee on Statutory Instruments, but my hon. friend from Peace River (Mr. Baldwin) and I have been especially concerned about this subject.

Those members of the House who served with me on the finance committee and, from time to time, on the justice committee will know that I have been a steady critic over the years of those sections of any legislation brought before the committee or this House giving broad, sweeping powers to the governor in council to make regulations. I have been particularly critical of the wording that is used. I can point to a rather regular consistency, bill after bill, every year over the past several years, where I have been very critical of this.

As a matter of fact, just a few weeks ago, on the bill dealing with sales finance companies, the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) was prepared to accept a suggestion that we remove some highly offensive wording which would have precluded any questioning of regulations. In other words, the government itself would have been the judge of the quality and propriety of the regulations which it purported to pass under that law.

It seems to me that Bill C-182 has been drawn up—of course, it was drawn by the Department of Justice—for the benefit of the Department of Justice. It has a neat flavour in that the ultimate authority is, naturally, in regard to references—and they are almost legion—to the Deputy Minister of Justice. It is provided that these regulations shall all be passed, that there shall be certifi-

cates and that there shall be a registry of regulations maintained by the Department of Justice. I say, fine! I would agree with one step there. But we must remember, plus ça change plus c'est la même chose.

Who drew the regulations in the past? Who were the draftsmen? In many instances it was the Department of Justice. Certainly the department gave its approval; or it may have been that the influence of the department was wide. I put it this way: their influence, maybe, was by paste and scissors. We saw from one bill to another the same offending words and we were always told by the public servants who appeared before us as witnesses, "Well, these are the regulations as they appear in all the other bills and we are not doing anything different here." No, they were just perpetrating potential injustice.

So I say, there is perhaps one correct step in this measure. I refer to the maintenance of a registry. I think we will be better guided in committee by the departmental officers in the praticalities of what is suggested in the bill, whether in the submission of the draft regulations to the Privy Council or in the interchange with the Department of Justice, and whether we may not be setting up a very complicated set of machinery which will delay the preparation of legislation and of regulations.

I would like to put up a warning light at this point. I would not want to have this House, in passing this bill, simply create some form of Frankenstein which will cause too much coming and going and too much exchange of approval of approvals as between the Privy Council and the Minister of Justice. I think we understand that oftentimes a simplified procedure is far better than a detailed one.

We must clearly understand what we want in this legislation. What does Parliament want? Is it the power to suspend the coming into force of regulations, in other words that no regulations would pass into delegated legislation or come into effect unless approved by Parliament? This, clearly, would not work. We do not want that. After all, why has Parliament provided for these powers to make regulations under the legislation? It has done so for the sake of simplicity, flexibility, the need for adaptation and other valid reasons. On the other hand, we must have scrutiny of these regulations. They must be exposed to public examination. Statutory instruments must be scrutinized and exposed to public examination; there cannot be application until approval.

There must be review, with the power to have Parliament revoke improper statutory rules. Not the committee referred to in the bill; I do not think anybody wants that. The only body which could revoke a statutory instrument would be Parliament. The committee would recommend to this House that a particular statutory instrument be revoked or amended. Certainly no committee of this House should have power to tell the government that its regulations are hereby revoked; Parliament must do that. The committee which is being set up to review this matter is acting on behalf of Parliament, and it seems to me this is what is wanted. It is Parliament that controls and it is Parliament that must revoke statutory regulations.

By whom should this be done? I asked, what did we want? Scrutiny, review and a power to recommend to Parliament to revoke. By whom? I would suggest, as did my hon. friend from Swift Current-Maple Creek (Mr. McIntosh), a committee of Parliament, a small committee of members of both Houses—that would simplify things—adequately staffed, because we want them to have an automatic referral of regulations and constant, ready reporting so that the process is as simplified and as efficacious as possible.

• (9:40 p.m.)

I have dealt with the matter of review, but there are other ways in which to accomplish scrutiny. First of all, there is the built-in scrutiny of the submission that is made to the Privy Council and to officials of the Department of Justice. This in itself will screen off a lot of difficulties. So that is step No. 1. Step No. 2 is the provision for publication in the Canada Gazette. In this regard I suggest to the minister that the proposal in this bill goes too far. When we were discussing the anti-dumping bill—this applies to other legislation as well—much to the astonishment of government members and also to myself the officials admitted that there was power under the Regulations Act for the governor in council to make regulations exempting the publication of regulations. So there is no guarantee of scrutiny here.

I agree that there may be certain circumstances involving national or international security where there should be an exemption power, or power given to the governor in council to pass an order providing that certain statutory instruments be not published, but only if this be in the overriding public interest. Having attended the same law school which I attended, I think the minister will recognize the legal theory that exceptions should be narrowly construed. In this particular case I strongly commend to the minister that exceptions to the necessity of publication should be narrowly construed.

With regard to the recommendation that as much as possible we adapt our legislation, I suggest that we make an amendment to the provisions of this bill dealing with the Revised Statutes to provide that there shall be included, in all legislation heretofore passed that gives power to make regulations, the words that appear in the new section 28A of the Interpretation Act. I refer to the expression "subject to the affirmative resolution of Parliament", or "subject to the affirmative resoluton of the House of Commons". I suggest these words be inserted immediately in all such legislation. Certainly I anticipate it will be included in all future legislation. This is going to the ultimate stage, to that far point that the minister exorted the committee to reach. I hope he will now be able to convince his colleagues to accept this sort of amendment in committee so that we can go to the limit the minister wanted.

Let me cite one example to the House. I do not want to be invidious in any particular regard, but let me make reference to the immigration regulations. I regularly have occasion to refer to them myself. The 1967 regulations

were departmentally inspired. They were drafted by the department and accepted by the minister and the governor in council. Although I and other hon. members in the House, both privately and publicly in speeches as well as in constant correspondence with the minister and his officials, have objected and criticized some of these regulations, nevertheless Parliament has never directly accepted those regulations as such.

We are told that the law as passed by Parliament provides for the making of regulations, but let us look at the effect of the regulations. Let us consider the assessment of an applicant for landed immigrant status. We have to consider the ability of the applicant under the points system. The applicant is told he is either qualified or he is not qualified. He is not told in what respect he is deficient or to what degree he is deficient. He is not given access to his performance; no statement is given him indicating he has failed owing to inadequate training, insufficiency of language, that he has lost so many points because he is of a certain age, or anything of that nature.

He learns about his points only if he has had the gumption to ask for a reassessment and a special inquiry. His counsel or friends cannot ask for this information in order for them to judge whether the applicant should apply for a special inquiry, or to help him meet these questions. Perhaps the applicant has some evidence to substantiate his application, but he is not told what evidence is lacking. Only when he appears at the special inquiry is he told how he was rated. At one time one could obtain information about the points rating and often could assist the immigration officers with additional evidence. Conversely, you were in a position to tell the applicant, "Forget about it; there is no way your application will be approved, and there is no question of a special inquiry". Although we are told these are the regulations, the regulations have not been passed.

It seems to me that the legality of these statutory instruments must be tested. First of all, one must ascertain whether they are within the power of the act and, secondly, whether they are just or unjust to a given applicant. I do not think a committee on statutory instruments should substitute its wisdom for the determination of any application. Neither do I think it should go into immigration dossiers and substitute its judgment for that of the officials. That is not the purpose of this legislation. Then there are many other boards, and so forth, which would not concern this committee but which would be a matter for the Federal Court.

I hope I have not taken too long to examine this bill, and that I have made suggestions that commend themselves not only to members of the House but to those members who sit on the Standing Committee on Justice and Legal Affairs. Indeed, I hope to be on that committee myself. I hope the committee will be able to produce a good working bill from the present proposals.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

[Mr. Lambert (Edmonton West).]

• (9:50 p.m.)

LEPROSY ACT

PROVISION FOR REPEAL

Hon. Allan J. MacEachen (for the Minister of National Health and Welfare) moved that Bill S-7, to repeal the Leprosy Act, as reported (without amendment) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Motion agreed to.

Mr. MacEachen (for the Minister of National Health and Welfare) moved that the bill be read the third time and do pass.

Motion agreed and bill read the third time and passed.

* * *

PENITENTIARY ACT

REFERENCE OF ANNUAL REPORT TO STANDING COMMITTEE ON JUSTICE AND LEGAL AFFAIRS

Hon. Allan J. MacEachen (President of the Privy Council) moved:

That the annual report for the year ended 31st December, 1968, made pursuant to section 30 of the Penitentiary Act, contained in the third annual report of the Department of the Solicitor General, tabled in the House of Commons on November 3, 1969, be referred to the Standing Committee on Justice and Legal Affairs; and

That during its study of the aforementioned report, the commitee be empowered to adjourn from place to place in Canada.

Motion agreed to.

Mr. McCleave: Mr. Speaker, much of today's progress has been accomplished by agreement, as a result of the excellent work of House leaders, a rank to which I was appointed today in the absence of the hon. member for Peace River (Mr. Baldwin). May I suggest that we have a five minute holiday for most hon. members and that those who wish to partake in the late show be permitted to plunge forthwith into the same.

Mr. Knowles (Winnipeg North Centre): May I ask the hon. member whether this delegation of authority was made in pursuance of the new legislation?

Mr. Deputy Speaker: Hon. members have heard the suggestion of the hon. member that the Chair now see the clock as indicating 10 p.m. Is that agreed?

Some hon. Members: Agreed.

* * *

BUSINESS OF THE HOUSE

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wonder whether the business for tomorrow could be confirmed and, if it is what we think it is, since it is in the name of the Prime Minister who is not here, will the minister indicate who will be introducing it?

Mr. MacEachen: Mr. Speaker, the first bill to be considered tomorrow will be the government organization bill and it will be dealt with by the President of the Treasury Board.

Some hon. Members: Oh, oh!

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

BROADCASTING—EDITING OF NATIONAL NEWS ON BUDGET BASIS

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, some little time ago in the committee I asked the Secretary of State (Mr. Pelletier,) who is in charge of the CBC, to explain to me the workings or arrangements in respect of the editing of the news carried by CBC. Since the minister at that time was unable to do so, I decided to put a question to him in the House and debate the subject at this time.

The situation is that when a news story develops in Toronto, Ottawa or Montreal the news editor of the CBC has to make a decision as to what is news. He does this and then it is put on the national news. I am not criticizing that policy, because obviously somebody has to decide what is news and this is the logical job of the news editor. However, there is an additional problem in respect of other areas of the country.

If a news story develops in Halifax or Vancouver, in addition to the news editor deciding whether the item is of national interest he must also take into account that it will cost the CBC several hundred dollars to send that story live from Vancouver. The figure of $1,000 was quoted to me some time ago. I am not sure how accurate that is but I am sure the cost amounts to several hundred dollars anyway. If a story is brought from Halifax live to Toronto this, again, costs the CBC several hundred dollars.

In addition to the normal decision as to whether a story is newsworthy, this budgetary consideration must be taken into account. In the event the news editor decides a story is worth while, he will have a tape sent by mail to Toronto where it is put over the CBC national news. If it is a morning story, it may well not appear until that evening. If it is an afternoon or evening story, it will not appear until the next day. If the story is not important enough it may not appear at all, because by the time it is put on TV it will be yesterday's news. The news editor must decide between yesterday's news and a good story today, particularly in respect of the television field because space is limited. He will always decide in favour of today's news.

Let me refer to the real basis of my complaint. If a story is news in Vancouver, it should be televised live to Toronto for appearance on TV that day. It should not be postponed until the next day. There are budgetary considerations when news stories come from Vancouver or Halifax which do not have to be contended with when the stories come from Toronto, Ottawa or Montreal. My argument is that the outlying areas in Canada tend to be bypassed in respect of worthy news stories, and I do not think this is right.

My understanding is that the CTV network operates on the same basis. If I extend criticism to the CBC I should perhaps extend it to the CTV network as well. The difference is that the CBC is a national concern, supported by the tax dollar, and we might assume that one of its principles is to promote equality of treatment across Canada. Perhaps the CTV network does not have this same obligation because it is directed more in terms of money.

In either case I do not think this is a good way of choosing newsworthy stories, that is, on the basis of whether we can afford them. If news from Saskatoon is of national interest, as a member or resident of that area I feel it should get the same type of coverage given to a story emanating from Toronto, Ottawa or Montreal. Frequently that is not the case now. As I said earlier, I wanted to ask the minister questions in this regard when he appeared before the committee but he was unaware of the technical matters or specific arrangements. Hopefully, the Parliamentary Secretary is in a position to enlighten us on the matter at this time.

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to the Minister of Justice): Mr. Speaker, in the absence of the hon. Parliamentary Secretary to the Secretary of State (Mr. Faulkner), I was asked to answer this question.

Since decentralization was carried out at the C.B.C. last spring, more and more importance is being attached to the contribution of the CBC's regional offices to the broadcasting service.

The CBC has correspondents in all provincial capitals who contribute regularly to the information and public affairs broadcasts over the radio as well as on television, and whose task it is to report on Canadian facts to all Canadian people, as is required by the Canadian Broadcasting Act.

Thus it is wrong to claim, as does the hon. member for Battleford-Kindersley (Mr. Thomson), that certain areas in this country that are far away from production centres of national television news bulletins, would suffer on account of the distance and that, for financial reasons.

Information directors hold daily preparatory meetings prior to issuing television bulletins, during which they decide on the importance as well as on the time to be given to the news of the day. As the time allotted to televised news is established beforehand, certain items transmitted by regional centres must necessarily be dropped temporarily or completely, on account of the importance and time to be given to more significant news. But that is never done for financial reasons.

Proceedings on Adjournment Motion

INDUSTRY—MANIWAKI (P.Q.)—TALKS ON POSSIBILITY OF GRANTING MONEY TO SOGEFOR PLANTS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, on Thursday last, that is January 21, I asked the Minister of Regional Economic Expansion (Mr. Marchand) whether he intended to get in touch with the Quebec authorities or the Sogefor management and come to an agreement which might forestall the closing of the plants on March 5 next.

I presume the minister has had enough time to take into consideration this most important question as far as the 800 employees of the Maniwaki-Mont-Laurier-Lac des Îles area are concerned. In fact, failing an immediate solution, three plants will close down, by reason of a lack of outlets for their production, or of poor administration, or perhaps even of both. This somewhat recalls the situation that prevailed in 1929-30, when there was overproduction but inadequate purchasing power for the consumers to get the goods offered.

People know that the Minister of Regional Economic Expansion is granting money earmarked for industry in some low-employment zones, for the opening of new lumber mills or plywood plants, for the production of building materials, whereas existing businesses intend to shut down because they find no customers for their products.

While taxing the Canadian people for subsidizing new industries, we are maintaining the 11 per cent tax on building materials, which prevents people from buying such products.

The federal government is keeping silent before the problem facing the Sogefor employees. The government should, as soon as possible, offer to help the Quebec authorities and the Société générale de financement to find some means of preventing the closing down of those plants in a region where 28 per cent of the people are unemployed and where 10 per cent are on welfare. If those plants do shut down, this percentage will be over 50 per cent.

Those forest and wood industry workers as well as the whole population of this area have reasons to worry. In fact, they will be greatly affected by the shutting down of these plants. The governments should not be content with instilling confidence into these people but should also assure them that they will keep their jobs. They are not interested in living on unemployment benefits which will cost $40,000 to $50,000 per week to the public Treasury, neither on a pittance from the Department of National Health and Welfare.

The forest and wood industry provides most of the occupations for these people who do not want to lose this industry and have given evidence of it. The Maniwaki people are prepared to set up a co-operative with their own savings so that this enterprise may survive. However, I do not know whether those savings will be sufficient for the enterprise to keep operating.

Following discussions I have had with the municipal authorities, I am asking the Minister and the government to take necessary steps to prevent the closing down of those industries and spare those people hardships, anxiety, unemployment and privations. Perhaps this enterprise should be granted the necessary subsidies to maintain its operations for at least one more year and to find new markets for its production. Quite a few things will have to be done to reorganize these industries and make them viable.

I said earlier that the administration had a weakness which should be corrected but the government should avoid flooding the market by creating new and similar industries unless it is confident that their production will be in sufficient demand.

The minister should let us know what his plans are in this connection.

[*English*]

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, as the hon. member knows, Sogefor is a wholly owned corporation of Société Générale de Financement de Québec. This latter company is a holding company in which the province of Quebec is the principal investor. I want to assure the hon. member that the Minister of Regional Economic Expansion (Mr. Marchand) is fully informed, both of the basic economic problems of this company as well as of its current financial difficulty. He is equally aware of the extremely vulnerable position of the over 500 workers in the three locations and the woods operations of Sogefor.

This department, however, administers an act of this Parliament, the Regional Development Incentives Act, which makes assistance available for plant expansion, plant modernization or for new plants establishing in designated regions. Sogefor is in a designated region, but there is no authority under the act to make grants simply as a subsidy to carry a company through a difficult period or to try to develop new markets for a company.

Perhaps the question has to be addressed to the Department of Industry, Trade and Commerce. We in the Department of Regional Economic Expansion have definite limitations concerning the kind of aid that can be given. We do not provide assistance, and we lack authority to do so, for temporary aid of a financial kind which seems to be requested at this time, nor could we simply help one company or a group of investors to buy out another company in order to proceed. We must be governed by the requirements of the act concerning expansion or modernization.

However, I want to say to the hon. member that if and when this company makes an application to the Department of Regional Economic Expansion for aid that conforms with the conditions of the act, that application will be given urgent consideration. The department is fully aware of the dislocations that would result in those communities from Sogefor closing down and it would do what it could in considering any application that came forward that would fit into the authority of the department.

REGIONAL ECONOMIC EXPANSION—PARTICIPATION OF FEDERAL GOVERNMENT IN CONTROL OF PROPOSED ALBERTA PULP MILL

Mr. John Burton (Regina East): Mr. Speaker, on December 14 I addressed the following question to the Minister of Regional Economic Expansion (Mr. Marchand):

In view of the large investment by the federal government in the proposed pulp mill in Alberta, is it the intention of the government, either directly or through one of its Crown agencies, to hold any equity capital in this operation, or is there going to be any safeguard of the federal interest through having some members on the board of directors—

This followed a question by the hon. member for Yorkton-Melville (Mr. Nystrom) which reads as follows:

In view of the minister's recent announcement that Proctor and Gamble are to receive an incentive of some $11,790,000 to construct a pulp mill in Alberta, can the minister indicate whether this is a foreign controlled operation? If so, was consideration given to providing the incentive to a Canadian company or Crown corporation?

The minister answered:

Mr. Speaker, we certainly considered the possibility of an incentive to a Canadian company, which unfortunately was not ready to start operations at this time.

For some time members of this party have urged the government to reconsider its policy of making grants such as it is doing and in the way it is doing to foreign-controlled companies. The answer that the government has given on most occasions is that any such policy would hurt the depressed areas of this country which it is attempting to assist through its regional development incentive program. I suggest that this ignores the conflict that may develop with any sort of meaningful policy that the Department of National Revenue may eventually bring forward with respect to the control of foreign ownership within the Canadian economy.

• (10:10 p.m.)

However, Mr. Speaker, whatever element of validity there may be to the point that the government makes in this regard, I suggest that now there is a new, golden opportunity. Today, at last, a bill concerning the Canada Development Corporation was given first reading in the House. I suggest that this presents a new opportunity to protect the public interest by providing for participation of the Canada Development Corporation in major projects which are being assisted by the Department of Regional Economic Expansion. I suggest that a plan should be worked out whereby grants made by the Department of Regional Expansion for industrial projects should involve an exchange of shares in the company which is receiving public funds to assist it in becoming established.

The question of foreign ownership is a matter of major concern in Canada today. In fact, we are reaching the ultimate: a recent study has shown that in 1968, 94 per cent of the expansion of a group of American-controlled companies in Canada was being financed with Canadian money, with money generated within Canada. Statements have been made since then by authorities pointing out that this figure is now higher. This is a problem we must tackle at once.

In addition, Mr. Speaker, I suggest that the manner in which some of the projects are being carried out influences the character of the Canadian economy. We do not, in fact, get the full benefit of some of the developments which are being assisted. For a long time we have talked of Canadians being hewers of wood and drawers of water. It might be said with respect to the production of kraft pulp, which is what is involved in the proposed mill at Grand Prairie, Alberta, that this is only a glorified form of Canadians being hewers of wood. In fact, kraft pulp is a rather inglorious product, albeit an important one in the economic picture.

In this regard, Mr. Speaker, it might be useful to draw the attention of the public to the way in which Proctor and Gamble looks at the future as described in Moody's Investor Service, which is available in the Parliamentary Library. The December 15, 1970, issue describes the Proctor and Gamble expansion as follows:

Proctor and Gamble Co. of Canada, subsidiary, plans to build a bleached kraft pulp mill near Grand Prairie, Alta., costing over $80,000,000. Mill will expand current pulp-making capacity and help assure a continued adequate supply of bleached kraft pulp for its growing household paper products in U.S.—

In its August 7 issue, Moody's had this to say about Proctor and Gamble:

Subsidiary expansion: Charmin Paper Products Co.—

That is a subsidiary owned by Proctor and Gamble in the United States.

—plans to build a household paper products converting plant at Modesto, California—

I am not aware whether there is a direct relationship between these two plants, but nevertheless I think these two developments, coming so close together within the over-all picture of the development of Proctor and Gamble, illustrate the fact that we are not getting the full benefit out of projects which we are helping to assist in Canada. In addition I would point out that a recent news item stated that Canadian Bechtel Ltd., a subsidiary of Bechtel Corporation of San Francisco, has been selected by Proctor and Gamble as general contractor for the pulp mill at Grand Prairie. Again we have an American concern which gets this major contract.

I am sure the Parliamentary Secretary to the Minister of Regional Economic Expansion (Mr. O'Connell) would be much interested in statements made recently in Regina, Saskatchewan, by Mr. Walter Gordon. Mr. Gordon said as follows, as quoted in the newspaper report:

Governments must be careful in handing out huge industrial incentive grants, and first assure that no Canadian company can handle the development. Mr. Gordon said it makes him uncomfortable to think of a large U.S. soap manufacturer (Proctor and Gamble) receiving $12 milllion in government money to build a pulp mill in Alberta.

Mr. Deputy Speaker: Order, please.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker,

the Parliamentary Secretary to the Minister of Regional Economic Expansion is always interested in the remarks of Mr. Walter Gordon. Indeed, he approves in general of Mr. Gordon's views. I was on the same plane as Mr. Gordon when he went to Moose Jaw. I do not think he made his main speech in Regina. It was at least close to the hon. member's constituency.

The Proctor and Gamble Co. of Canada is a wholly-owned subsidiary of Proctor and Gamble of Cincinatti, Ohio. Its project at Grande Prairie was based, in the first place, on its being the company to which the province of Alberta granted the necessary timber cutting rights. Any Canadian company proposing a similar project would certainly have been given the same consideration of the need for an incentive in order to create new employment.

Other aspects of the hon. member's question ought to be answered in the following way. The agreement with Proctor and Gamble requires the company to comply with all the terms and conditions of the Regional Development Incentives Act and regulations. This legislation provides no authority for the government to take an equity position in the operation, nor for government representation on the board of directors.

I share with the hon. member the hope that the Canada Development Corporation, which Parliament is in the process of creating, will provide opportunities for Canadian participation in projects of this kind in the future. However, it is only fair to say from the perspective of the Department of Regional Economic Expansion that the department cannot make distinctions and insist upon conditions more onerous in the designated regions than are applied elsewhere in Canada. If, for example, they did so in terms of equity or representation, it would work against the mandate that Parliament has laid upon it to foster economic expansion, employment opportunities and social adjustment in the designated regions.

An over-all policy with respect to foreign investment is required. The Canada Development Corporation, as an instrument of that policy, might well mean that we will be approaching a different future with respect to economic development of this kind. I do not share the disdain of the hon. member—with regard to the kind of employment being developed in the northern forest areas. I cannot simply call it employment of hewers of wood and drawers of water.

Mr. Deputy Speaker: Order, please.

Motion agreed to and the House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Tuesday, January 26, 1971

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

Fifth report of Standing Committee on Finance, Trade and Economic Affairs—Mr. Clermont.

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

* * *

[*English*]

PUBLIC SERVICE

TABLING OF MEMORANDUM RESPECTING PROPOSAL TO RECRUIT FRENCH-SPEAKING CANADIANS

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, yesterday in the House the Acting Prime Minister (Mr. Sharp) gave assurance that a memorandum from the Public Service Commission with respect to a proposal to recruit French-speaking Canadians into the Public Service would be tabled in the House. Under Standing Order 41 I should like to table this document in both languages.

Mr. A. D. Hales (Wellington): Mr. Speaker, may I ask the minister how long this statement is and whether he would consider reading it to the House?

Mr. Speaker: Order, please. I think the question is in order. I am not sure whether it is a point of order, but perhaps the minister might respond to the hon. member's question.

Mr. Hales: Would the minister make a statement on motions?

* * *

PUBLIC SERVICE

SPECIAL RECRUITMENT OF FRANCOPHONES—ANNUAL REPORT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rose a moment ago but I was awaiting any developments that might take place. I rise to ask leave of the House—

An hon. Member: No.

Mr. Knowles (Winnipeg North Centre): —to present a motion under Standing Order 43. I make the earnest plea to my hon. friends opposite that before they say no they give the matter serious consideration. I have drafted a motion which I have made as inoffensive as I possibly can. It is a motion that does not prejudge the issue in any way. It meets the suggestion that has been made by the hon. member for Ottawa West (Mr. Francis), the hon. member for Grenville-Carleton (Mr. Blair) and others on that side of the House that the question alluded to in the document just tabled should somehow come before one of our standing committees. Therefore I earnestly plead with the government that unanimous consent be given to a motion which simply proposes that the annual report of the Public Service Commission be referred to the Standing Committee on Miscellaneous Estimates. My motion asks for nothing else. The committee could then call the chairman of that commission, the President of the Treasury Board and others. Therefore I move, seconded by the hon. member for Surrey (Mr. Mather):

• (2:10 p.m.)

That the report of the Public Service Commission of Canada, tabled in the House on June 3, 1970, be referred to the Standing Committee on Miscellaneous Estimates.

Mr. Speaker: The hon. member for Winnipeg North Centre, seconded by the hon. member for Surrey, has proposed a motion under the terms of Standing Order 43 which requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. MacEachen: Mr. Speaker, I rise on a point of order. The hon. member for Winnipeg North Centre has suggested that we give this proposal serious consideration. If he is serious in that regard I would be happy to give it careful consideration, but I cannot do so in 30 seconds. If he wants to let the motion stand until tomorrow, we will consider it before then.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I would be happy to agree that the motion stand until this time tomorrow.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

PUBLIC SERVICE

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—COMMISSION MEMORANDUM

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the President of the Treasury Board who was not in the House yesterday. The Acting Prime Minister suggested

then that the minister would be very happy to answer these questions today.

An hon. Member: Smile, Bud.

Mr. Stanfield: I should like to ask the President of the Treasury Board, who has asserted there was nothing secret about the program to hire Francophone university graduates, whether he has any explanation to give for the note on the memorandum of the Public Service Commission of Canada which states:

This information is confidential and no official announcement will be made.

If this matter was not secret would the minister also explain why there was no discussion with the Public Service Alliance on a matter of such basic importance to the alliance and the Public Service?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I understand that this matter was discussed yesterday to some degree. This note reflects a misunderstanding as to what the memorandum represents. The first paragraph, if the hon. member will read it, makes it quite clear that this is conditional. It states:

The basis of the survey was a request as to how many additional Francophone graduates you could gainfully employ should the salary costs be covered from funds outside your budgeted programs.

This is in the nature of what I may describe generally as a feasibility study. In trying to determine what is feasible and what is not, I think this can be most usefully done in private by the officials rather than in a public way which would lead inevitably to expectations that might not in the event be justified. The confidentiality referred to here is in relation to this particular program under gestation, if indeed such a program eventually were approved by the government.

Mr. Diefenbaker: In frustration.

Mr. Drury: I might say that this memorandum outlining a procedure for increasing the proportion of Francophones in the Public Service is not an approved program. It will not be a program approved by the government until it has been submitted to the Treasury Board and approved—

Mr. Speaker: Order, please. I apologize for interrupting the minister, but I do not think he should make a statement at this time unless he wants to revert to motions. I appreciate that he is trying to reply to the question as completely as possible, and that is very much in order.

Some hon. Members: Revert to motions.

Mr. Speaker: Perhaps at this point the Leader of the Opposition, if he has a supplementary question, might be allowed to ask it.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Revert to motions.

Mr. Stanfield: Mr. Speaker, I do not know whether the President of the Treasury Board wishes to revert to motions so he can make a full statement, but I assume he does not since the offer was made to him previously. I have a supplementary question. The memorandum definitely refers to aspects of "the program", which suggests that in fact there is a program. May I ask the President of the Treasury Board a question relating to his assertion that this program was simply a normal extension of the efforts of the government to increase the number of Francophones in the Public Service. Does the President of the Treasury Board know of any previous instances in which the Public Service Commission confined appointments to persons of a specified racial origin?

Mr. Speaker: Order, please. I have some doubts about that question. The Leader of the Opposition is asking the minister whether he knows of previous instances in which this policy was followed. I am not prepared to recognize that the question is in order.

Mr. Stanfield: Mr. Speaker, on a point of order, the purpose of my question is to elucidate how this can be considered a normal extension of the government's policy. Can the President of the Treasury Board tell the House of previous instances in which such a policy has been applied?

Mr. Drury: Well, Mr. Speaker—

Mr. Speaker: Perhaps the minister might try to reply in some way. I certainly do not wish to be obstructive on a matter which hon. members appear to consider very important, but when the Leader of the Opposition seeks information concerning whether a situation has applied in the past that is not a proper question for the question period. The Leader of the Opposition has perhaps qualified the question and in this sense the President of the Treasury Board may wish to reply.

Mr. Stanfield: Mr. Speaker, I wish to co-operate with the Chair and I will put the question in a different way. I ask the President of the Treasury Board whether, in his opinion, it is consistent with the acts of this Parliament for the filling of positions to be confined to persons of a certain racial origin as distinguished from the question of language specifications? Is it the position of the government that specifying racial origin as a prerequisite for filling positions, as distinct from competence in language, is consistent with the legislation of this Parliament concerning the Public Service?

Mr. Drury: Mr. Speaker, I am afraid we are getting into semantic problems here because I am not sure that Francophone indicates or connotes a racial origin.

Some hon. Members: Hear, hear!

Mr. Drury: I would find it difficult, therefore, to indicate occasions on which the Public Service had simply sought out people of a particular racial origin in the past. They have not and, indeed, the law precludes this.

Some hon. Members: Hear, hear!

Mr. Drury: What is being sought here, as was recommended by the Royal Commission on Biculturalism and Bilingualism, is a higher proportion of those with a French-speaking background in the Public Service in Canada in relation to the current and past overwhelming majority of those with an English-speaking background.

Mr. Speaker: Order, please. I see there are many supplementaries. We have 40 minutes. We will start by recognizing the hon. member for Nanaimo-Cowichan-The Islands.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—PROVISION OF FUNDS—RESPONSIBILITY FOR INITIATING STUDY AND DRAFTING MEMORANDUM

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, perhaps I might get the minister away from a study of semantics and ask him a straight question. Was he familiar with the contents of this memorandum prior to its disclosure or was it issued without his knowledge and consent?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I was not familiar with the contents and it was issued without my knowledge. I would suggest that endeavours to conduct a feasibility study should not require the consent of the President of the Treasury Board.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since the minister is President of the Treasury Board, may I ask whether the Public Service Commission, or whoever was responsible for formulating this memorandum, had authority to say that $2 million would be made available for the purposes stated in the memorandum without the President of the Treasury Board having given his prior consent?

Mr. Drury: The memorandum, as I indicated to the Leader of the Opposition, is couched, at least in the opening phrases, in the conditional tense, as it should be. Perhaps there is a greater element of certainty in subsequent paragraphs which I do not think is warranted inasmuch as there is no approved program. Indeed, it has not yet been definitely ascertained that this proposal is feasible.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister, then, who is responsible for initiating this feasibility study and drafting this memorandum for distribution to the various departments without the knowledge and consent of the President of the Treasury Board?

Mr. Drury: I think it is well known that the government has indicated its desire to see a higher proportion than at present or in the past of Francophones in the Public Service.

Some hon. Members: Answer the question.

An hon. Member: Who did it?

Mr. Speaker: Order, please. I do not think that this situation will be helped very much if the minister is not allowed to answer the question.

Mr. Greene: You want to play politics.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Who took the initiative?

Mr. Drury: I do not want to engage in some form of dialectics but I do want—

Mr. Hees: Just answer the question.

Mr. Drury: —the lack of comprehension to be cleared up. It is well known that the government has expressed its intention and desire to increase the proportion of Francophones in the Public Service.

Mr. Hees: You said that before.

Mr. Drury: To this end it is willing and has declared its willingness to devote additional resources toward the accomplishment of this purpose if satisfactory means are proposed to achieve this. The process we are looking at here is part of an exploration of possible means of achieving this purpose.

Mr. Douglas (Nanaimo-Cowichan-The Islands): By whom?

Mr. Drury: It has long been the instruction of the government to proceed in this direction. The precise details of programs, their gestation, the examination of ways and means which would be feasible, are done, as they should be done, by those who are familiar in the field—the officials. They propose ways and means for approval by the government—

Mr. Speaker: Order, please. The hon. member for Gander-Twillingate.

Mr. Lundrigan: My question is not a supplementary but a related question, Mr. Speaker.

Mr. Speaker: I gather there are supplementary questions. Perhaps I might go to the hon. member's related question in a moment.

Mr. Paul Yewchuk (Athabasca): I have a brief supplementary question for the President of the Treasury Board. Would he mind giving us the government's official definition of the word "Francophone"?

An hon. Member: Good question.

Mr. Greene: Can't you afford a dictionary?

Mr. Speaker: I have the impression that perhaps it might be time to go on to another question, but the Chair has infinite patience this afternoon.

Inquiries of the Ministry

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—RESPONSIBILITY FOR AUTHORIZING EXPENDITURE OF MONEY

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a supplementary question for the minister and I hope he does not have to struggle with this one. Who, outside of the Treasury Board has the authority to authorize the $2 million?

Hon. C. M. Drury (President of the Treasury Board): It is only the parliament of Canada that can authorize the $2 million.

Mr. Speaker: I appreciate that five or six members are rising on supplementary questions. The Chair will recognize the hon. member for Winnipeg North Centre.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—RECONCILIATION BETWEEN MINISTER'S STATEMENT AND TABLING OF MEMORANDUM

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my supplementary question to the President of the Treasury Board is based on the answer the Acting Prime Minister gave me yesterday when he said yes to my question as to whether we would be given a reconciliation between the statement made by the President of the Treasury Board, in which he denied the existence of a program, and the fact that a copy of the memorandum has now been tabled.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the only problem there is to try to reconcile the words "memorandum" and "program". There is a memorandum which is before the House. There is no program, and there will not be a program until such time as formal approval has been given to a proposal. This is a step in the gestation of a proposal, and until it becomes approved it is not a program.

Mr. Knowles (Winnipeg North Centre): Did the minister know of the existence of the memorandum when he was interviewed about this matter over the weekend?

Mr. Drury: Regrettably no, Mr. Speaker.

Some hon. Members: Oh, oh!

[*Translation*]

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—CONSULTATION WITH LANGUAGE COMMISSIONER

Mr. Speaker: Does the hon. member for Champlain wish to ask a supplementary question?

Mr. René Matte (Champlain): Yes, Mr. Speaker. I would like to ask the minister if the Official Languages Commissioner has been consulted and has told the government what he thinks about it.

[*English*]

Mr. Speaker: Order, please! I am not sure whether this question was heard.

[Mr. Speaker.]

[*Translation*]

I am not sure that the Acting Prime Minister or any other minister has heard the question put by the hon. member for Champlain. Would the hon. member ask his question again?

Mr. Matte: Certainly, Mr. Speaker.

I would merely like the minister to tell the House whether the Commissioner of Languages has made recommendations to the government in this regard.

[*English*]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, not to my knowledge. I would think that this would tend to fall a little outside his particular jurisdiction as he is concerned with the use of French within the Public Service, not the means by which it is achieved.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—SPECIAL EFFORTS TO HIRE NATIVE INDIANS

Mr. Len Marchand (Kamloops-Cariboo): Mr. Speaker, I have a supplementary question for the President of the Treasury Board. It arises out of the answer he gave to the Leader of the Opposition. Does this mean that special efforts on the part of the Public Service Commission to hire native Indians have been abandoned?

Hon. C. M. Drury (President of the Treasury Board): No, Mr. Speaker, by no means.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—ASSURANCE THAT CONTINGENCY VOTE WILL NOT BE USED WITHOUT ADVISING HOUSE

Mr. A. D. Hales (Wellington): Mr. Speaker, I wish to direct a supplementary question to the President of the Treasury Board. Would the minister give the House the assurance that the money for this program would not be taken from the contingency vote, No. 5, without first advising the House?

Hon. C. M. Drury (President of the Treasury Board): I most certainly can give that assurance, Mr. Speaker.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—GRANT TO TRAINING SCHOOL IN FRANCE —UNEMPLOYMENT IN CANADA

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a supplementary question on this subject. It has to do with the training of Francophones. Has the government come to the conclusion that there are not enough people speaking the French language in Canada and that it has become necessary to go outside of Canada and, by a $1 million grant, establish a public service training school in Bordeaux, France, to graduate Francophones who will be given an opportunity to work in Canada? Did the minister know about that? Is he aware of that fact, and is there not enough unemployment here without going abroad and spending a million dollars?

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. Perhaps the first part of the question is in order. Of course, the latter part might be somewhat argumentative. The minister may be allowed to reply to the first part of the right hon. gentleman's supplementary question.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, it is well known that the government has been supporting the establishment of an institution in Bordeaux, France, to serve the whole of the Francophone-speaking world. I may add that I know of the right hon. gentleman's interest in promoting Francophone aspirations and that he would be the first to support them.

Some hon. Members: Oh oh!

Mr. Diefenbaker: Mr. Speaker, that last observation deserves an answer and I rise on a question of privilege. I point out that I was the first person in Canada to fight in the courts for French language rights in the province of Saskatchewan.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The right hon. gentleman has made his observation and perhaps he might ask his supplementary question now.

Mr. Diefenbaker: Mr. Speaker, I want to put the truth before the minister.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Apparently he is not aware of it.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I suggest to the House that the Chair has been very lenient about these many supplementaries. I wish to advise the House immediately that I do not propose to allow any supplementaries on the subject after we have heard the right hon. gentleman's supplementary. I shall stand firm on that decision.

Mr. Diefenbaker: Mr. Speaker, without any gratuitous observations, will the Secretary of State for External Affairs answer the question? Are there not enough unemployed French Canadians in Canada who could qualify for these positions? Instead of going abroad and spending $1 million in France could we not employ Canadians?

Mr. Speaker: Order, please. I have already ruled that the question is argumentative and is not in order.

Mr. Diefenbaker: The truth of my remarks is evident.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Inquiries of the Ministry

MANPOWER

ISSUANCE OF DIRECTIVE TO OFFICES REGARDING RELEASE OF UNEMPLOYMENT FIGURES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I direct a question to the Acting Prime Minister which concerns another memorandum. Can the Acting Prime Minister indicate whether the government or any department of government has issued an order or directive to all Canada Manpower offices across the nation that they are not to release their unemployment figures? If so, can he indicate what the reason was for that directive?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am not aware of any such order. I shall make inquiries.

Mr. Lundrigan: Will the Acting Prime Minister undertake to inform the House tomorrow of the reason for the directive and the purpose behind it?

Mr. Sharp: Mr. Speaker, I will ask the Minister of Manpower and Immigration who will be here tomorrow I believe, and can answer the question.

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EXTERNAL AFFAIRS

UGANDA—INQUIRY AS TO GRANTING OF DIPLOMATIC RECOGNITION TO NEW REGIME

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is to the Acting Prime Minister in his capacity as Secretary of State for External Affairs. Is the government giving consideration to granting diplomatic recognition to the new military regime in Uganda, and would the minister care to make a statement on this matter?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we are following developments closely in Uganda. The situation at the moment is unclear and until there is some further clarification we do not intend to act.

UGANDA—SAFETY OF CANADIANS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, has the Secretary of State for External Affairs any information on the safety of Canadians in Uganda? We have heard about the regrettable loss of two lives.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. There are approximately 300 Canadians living in Uganda. According to preliminary reports of casualties, as hon. members know, two members of the White Fathers Order have been killed. We have made inquiries from the British High Commissioner's office there, and he assures us that at the moment there is no danger to Canadians in Uganda. The two who were killed were killed purely by accident. They happened to be on the spot but were not involved in any way in the uprising. We are keeping the situation under close observation, and if there are any adverse developments we shall consider whether further action needs be taken.

Inquiries of the Ministry

[*Translation*]

INDUSTRY

MANIWAKI, QUE.—REQUEST FOR GRANT TO HELP CITIZENS' CO-OPERATIVE TO ACQUIRE SOGEFOR—EFFORTS TO FIND NEW MARKETS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, in the absence of the Minister of Industry, Trade and Commerce, I should like to put my question to his Parliamentary Secretary.

Could he tell us whether the Department of Industry, Trade and Commerce is in a position to grant a substantial subsidy to the citizens of Maniwaki who have organized a co-operative in order to purchase the Sogefor plants?

[*English*]

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the Department of Industry, Trade and Commerce has looked very closely at the problems encountered by Sogefor. There are a number of problems involving markets and supplies of timber. I suggest to the hon. member that any request for special, financial assistance to the company should be directed to the Minister of Regional Economic Expansion.

[*Translation*]

Mr. Laprise: I have a supplementary question, Mr. Speaker, which is precisely the one I discussed at the time of adjournment last night. Nevertheless I would like to ask the Parliamentary Secretary if in the course of his present travels the Minister of Industry, Trade and Commerce will try and find outlets for the production of these plants.

* * *

[*English*]

NATIONAL DEFENCE

RENTAL INCREASE FOR PERMANENT MARRIED QUARTERS —WHITE PAPER—DESTROYER CONSTRUCTION PROGRAM

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of National Defence. While he is on his feet, perhaps he might also give some indication with respect to the question of rents which I asked him about earlier. Can he indicate to the House and country when we may expect his white paper on defence policy? In preparing the white paper, has he given consideration to dividing it into two parts, one part that would deal specifically with the need for funding for new weapons systems and replacement systems and the other with the more general question of defence policy?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, the timetable I have set for internal purposes and which I hope to meet would mean that it would be available for the House about Easter. With respect to the hon. member's suggestion, I shall reflect on it. It seems to me that the question of the actual policy should come first and, closely related to that, should come the question of equipment and arrangements with regard to equipment. I shall be glad to consider his suggestion.

I have examined the question of rents, which the hon. member was kind enough to bring to my attention last week. I find that it is being considered in conjunction with the general question of housing for members of the Armed Forces which the hon. member for Malpeque was kind enough to bring forward about a month ago. I hope within several weeks to be able to make a statement comprehensive of all aspects of this question of accommodation.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, with regard to rental increases for married quarters, could the minister not hurry up his consideration of the matter since the personnel concerned have been advised already of increases in rentals effective April 1 which will more than offset the last increases in pay?

Mr. Macdonald (Rosedale): Mr. Speaker, we have a little way to go to April 1, but it seems to me that the most sensible thing is to make a general statement with regard to both rental and housing policy.

Mr. Forrestall: Mr. Speaker, in making a general statement, I wonder if the minister would advise the House of the present status of the DDH program and the extent to which there is a growing urgency with regard to refunding that program?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker, I will be glad to consider that. I hope to be in a position to report to the House and, more particularly, to the Standing Committee on External Affairs and National Defence on this and other matters about the middle of next month, when I gather that the estimates will be available before the committee.

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TRANSPORT

SNOWMOBILES—REQUEST FOR TABLING OF LIST OF SAFETY SPECIFICATIONS—NATIONAL MANUAL

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Transport. It relates to earlier questions about the safety of snowmobiles. Since the decision of a coroner's jury last week in North Bay, Ontario, laid the blame for a snowmobile accident jointly on an inadequate braking and steering system and the inexperience of snowmobilers, is the minister now prepared to table in the House a list of basic safety specifications that his department considers to be essential with regard to the production and sale of snow machines in this country?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. If I understood the hon. gentleman's question correctly, there are some ten regulations that have been gazetted. The other day I indicated I was not sure if they had been but I have learned that they were. It

would be quite easy for me to table them in the House or make them available to the hon. member.

Mr. MacDonald (Egmont): In view of the lack of experience of many people in the use of these machines, is the minister or his department preparing to make available some kind of national training or safety manual that snowmobilers could use?

Mr. Jamieson: Mr. Speaker, at this very moment exhaustive tests are being carried out in the vicinity of Ottawa on some 15 different makes of snowmobiles so that our officials and the experts may have in the field knowledge of any additional regulations that may be required. If the data that is acquired on this basis is of use, I am sure that we would be more than pleased to make it public, yes.

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NATIONAL REVENUE

INQUIRY AS TO CHARGING OF COST OF TICKETS TO LIBERAL BANQUET AS DEDUCTIBLE EXPENSE

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, may I direct a question to the Minister of National Revenue. Will the minister inform the House whether companies purchasing $50 tickets in blocks of ten for the Liberal fund raising banquet to be held in Toronto on March 3 are charging these tickets off as tax deductible expenses?

Mr. Speaker: Order, please. That question might be placed on the Order Paper.

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EXTERNAL AFFAIRS

REPORTED UNITED STATES PROPOSAL TO IMPORT CANADIAN WATER

Hon. George Hees (Prince Edward-Hastings): I have a question for the Acting Prime Minister with reference to the statement made yesterday by Mr. Rogers Morton, President Nixon's choice to become Secretary of the Interior, when appearing before a Senate hearing, that "the United States should study a proposal to import Canadian water." Is the Acting Prime Minister aware of this proposal and, if so, what is it?

Hon. Mitchell Sharp (Acting Prime Minister): No, Sir. I thank the hon. gentleman for bringing it to my attention.

Mr. Hees: Would the Acting Prime Minister ask the Secretary of State of the United States what this proposal is and report to the House tomorrow?

Mr. Sharp: As far as I know, if Mr. Rogers wanted to make a serious proposal to me he would do so. He has not done so, so I do not really think this represents any serious negotiation between Canada and the United States.

Inquiries of the Ministry

POST OFFICE

ASSURED MAIL DELIVERY PROGRAM—EXTENSION TO OTHER COMMUNITIES—REGIONAL AIR SERVICE

Hon. W. G. Dinsdale (Brandon-Souris): My question is directed to the minister responsible for the Post Office. It arises from his announcement concerning an assured mail delivery program. Now that the minister has decided to restore the quality of service once enjoyed by Canadians, is this assured delivery to be limited to the cities and communities outlined in his announcement or will it be gradually extended to other important communities such as Charlottetown and Brandon?

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, from Toronto the assured mail program will cover the 24 centres which are mentioned in the announcement. The assured mail program is directly related to the communications between different centres, and we have chosen the centres that can have next-day delivery.

Mr. Speaker: Order, please. I am not sure we shall have time during the remaining few minutes to hear supplementaries about all these important centres across Canada, but for the moment we might hear further about Brandon-Souris.

Mr. Dinsdale: In light of the minister's answer perhaps I could direct this question to the Minister of Transport. Is it the minister's intention to deal with our urgent air service problem so that we, too, might be assured of this improved quality of service?

Hon. Donald C. Jamieson (Minister of Transport): With respect, Mr. Speaker, I think the question is rather broad, but I assume the hon. gentleman is only concerned about his own community.

Mr. Dinsdale: Western Manitoba.

Mr. Jamieson: I think he is as well aware as I am that level of usage is one of the determining factors. We are doing our best to put the kind of aircraft into that service that will accommodate the people who are offering their patronage. Perhaps the best thing the hon. member could do would be to induce more of his friends and supporters to fly by air.

Mr. Diefenbaker: Fly by air?

Mr. Jack McIntosh (Swift Current-Maple Creek): May I ask the Postmaster General when he intends to reinstate air mail service to western Saskatchewan?

Mr. Côté (Longueuil): I will look into that.

[*Later:*]

ASSURED MAIL DELIVERY PROGRAM—EXPEDITION OF UNEMPLOYMENT INSURANCE CARDS

Mr. S. J. Korchinski (Mackenzie): I should like to ask the Postmaster General whether in line with his inten-

tion to provide improved mail service from one point to the next, that is, a 24-hour service, any thought has been given to providing direct service from computer centres where unemployment insurance cards are processed to regional offices on a trial basis to see whether this idea would work?

Hon. Jean-Pierre Côté (Minister without Portfolio): We shall consider that suggestion, Mr. Speaker.

ASSURED MAIL DELIVERY PROGRAM—EXTENSION TO PRINCE EDWARD ISLAND

Mr. David MacDonald (Egmont): Mr. Speaker, my question relates to the minister's announcement of assured one-day delivery and the fact that Prince Edward Island has been omitted from these arrangements. Is this omission to be permanent? When can the people of Prince Edward Island expect the same service as is being provided to the rest of the country? In the meantime would the department be prepared to provide a subsidy to help cover the cost of transporting night letters and the like?

Hon. Jean-Pierre Coté (Minister without Portfolio): I should like to point out that the cities and centres which will not be getting the 24-hour service from Toronto will not be losing anything they already have; the new proposals will not alter the service that these places are already getting. Hon. members should understand that if we are to guarantee this service we want to make sure we can provide it, and the only way we can do this is if we know there are planes flying from Toronto at certain times.

Mr. MacDonald (Egmont): Is the minister aware that there is direct mail service from Montreal that might make use of this service?

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[*Translation*]

AGRICULTURE

DAIRYING—REASONS FOR INCREASE IN PRICE OF MILK IN ONTARIO

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Minister of Agriculture.

Ontario dairies have just announced that the price of milk will go up 4 cents for three-quart jugs and we can expect that Quebec dairies will follow suit. May I ask the minister whether this increase, in his opinion, stems from an imminent shortage of milk or from other causes?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): The hon. member is talking about the pricing arrangements for fluid milk, and these do not come under the jurisdiction of the federal Department of Agriculture or of the Canadian Dairy Commission.

[Mr. Korchinski.]

PUBLIC SERVICE

ORIGIN OF MEMORANDUM ON HIRING OF FRANCOPHONE UNIVERSITY GRADUATES

Mr. W. B. Nesbitt (Oxford): I have a question for the President of the Treasury Board. Did either the office of the Prime Minister or the office of the Secretary of State originate the so-called Francophone memorandum?

Mr. Speaker: Order, please.

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WELFARE

REQUEST FOR GRANT TO BLACK UNITED FRONT, SYDNEY, N.S., TO ESTABLISH DAY-CARE CENTRE

Mr. Robert Muir (Cape Breton-The Sydneys): In the absence of the Minister of National Health and Welfare may I direct my question to his Parliamentary Secretary. In light of the announcement by the minister's office that a special $10,000 grant has been made to the greater Victoria low income group of Victoria, British Columbia, toward a day-care centre for the children of women on welfare engaged in part-time employment, will the minister give consideration to making a similar grant to the Black United Front of Sydney which is attempting to establish a similar program?

Mr. Speaker: Order, please. I suggest to the hon. member that his question is in the form of a representation or suggestion to the minister, and he must assume that it will be considered by the government.

Mr. Muir: On a point of order, Mr. Speaker, with this government I find I cannot assume anything. Since the government can find money for tom fools and others, surely it can find money for the good people of the Black United Front—

Mr. Speaker: Order. The hon. member's point of order is an additional representation.

* * *

NATIONAL CAPITAL COMMISSION

SKATING ON RIDEAU CANAL

Mr. John L. Skoberg (Moose Jaw): My question is directed to the minister who answers in the House on behalf of the National Capital Commission. Would the minister commend the chairman of the commission for his initiative in making ice available to skaters of this area on the Rideau Canal?

Some hon. Members: Hear, hear!

AIR TRANSPORT

REQUEST FOR STATEMENT ON REGIONAL AIR POLICY

Mr. Louis-Roland Comeau (South Western Nova): I have a question for the Minister of Transport. Bearing in mind the fact that we have been waiting quite some time now for an air policy, more particularly for a regional air policy affecting small airports, can the hon. gentleman tell us when we may expect a final statement in this regard?

Hon. Donald C. Jamieson (Minister of Transport): I have indicated to the House on previous occasions that I do not anticipate making what might be described as a major statement with regard to new regional air policy. We are in the process of refining and making certain changes in the existing policy in consultation with the regional carriers. Some changes are already in effect. Talks are continuing, and I would expect to see evidence of these changes in this program rather than in any one policy statement.

* * *

AIRPORTS

TORONTO—NUMBER OF SITES UNDER CONSIDERATION

Mr. Lincoln M. Alexander (Hamilton West): I wish to address a question to the Minister of Transport, bearing in mind that the minister expressed his thoughts concerning regional airport expansion in terms that his answer could not be decisive until such time as a decision had been reached with respect to the international airport in Ontario. Can the minister now advise us whether the sites he has been looking at have been reduced in number and can he give us at least some indication when he intends to express the new policy?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, I regret I cannot. Talks are still going on. I seem to have the impression from discussing the matter with officials both of the federal government and of the Ontario government that there appears to be no legal way in which four major, large sites could be announced with the absolute assurance that there would indeed not be some land speculation. Therefore, it has been necessary to explore alternative means of accomplishing the same objective, that is, giving the parties concerned an opportunity to comment before a firm decision is arrived at.

Mr. Alexander: Mr. Speaker, is the minister now indicating to the House that he is still considering four sites? Perhaps the minister will tell the House whether the number of sites has been reduced in terms of practicality and feasibility.

Mr. Jamieson: Mr. Speaker, essentially what we are looking for is the most appropriate site to meet the aviation needs of southwestern Ontario which will at the same time meet the environmental needs and other objectives stated by various groups. As I have said repeatedly, there is no specific site. All we hoped to do

was to be able to say that there were a number of alternatives. Let me repeat that neither the government of the province of Ontario nor the federal government has been able to find a sure-fire method of avoiding land speculation. What we are hoping to do now is to find some other avenue which would not identify —

Mr. Speaker: Order, please.

* * *

POLLUTION

MERCURY CONTAMINATION OF DOGFISH OFF BRITISH COLUMBIA COAST

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Has the minister's department been able to locate the source of mercury pollution which has been affecting dogfish off the British Columbia coast?

Hon. Jack Davis (Minister of Fisheries and Forestry): No, Mr. Speaker. This may be a natural background phenomenon.

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[*Translation*]

HOUSING

ASBESTOS, QUE.—LANDSLIDES—CONSTRUCTION OF LOW-COST HOUSES

Mr. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I have a question for the Minister without Portfolio in charge of housing.

Would he tell the House if the government intends to accede to the request of the Asbestos authorities asking that the federal government purchase land and build low-rental housing on it, in order to deal with the crisis facing that locality following last week's landslide?

[*English*]

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I shall have to take that question as notice. The details have not been brought to my attention, but I will try to reply to the hon. member later.

Mr. Speaker: Orders of the day.

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WELFARE

REQUEST FOR GRANT TO BLACK UNITED FRONT, SYDNEY, N.S., TO ESTABLISH DAY-CARE CENTRE

Mr. Robert Muir (Cape Breton-The Sydneys): I rise on a point of order, Mr. Speaker.

Mr. Speaker: Order. The hon. member for Cape Breton-The Sydneys is rising on a point of order.

Mr. Muir (Cape Breton-The Sydneys): I shall try to outline to Your Honour my point of order. In view of the fact that a major portion of this afternoon's question period was devoted to questions pertaining to a $2 mil-

lion allotment or grant to a certain group in this country—it may be a good or bad thing; I am not disputing that—I should like to point out that I raised a question relating to a grant from the government on behalf of the black people involved in the Black United Front at Sydney, Nova Scotia, in order to set up a day-care centre, something they are working at very hard.

If Your Honour would explain to me why that question was out of order and a reply not allowed, I would appreciate it. Surely to heaven a small group like this can get a grant from the federal government, or are the black people different from other groups to which the government gives grants?

Mr. Speaker: Order, please. The hon. member will have noted that the Chair did not suggest that the matter was not important; it is obviously important. The hon. member has raised the question on previous occasions. I suggest to him that the question asked today was in the form of a representation. He subsequently raised a point of order and again I suggested he was making a representation. I would again suggest to him that the point of order he is now raising is in the form of a submission to the government.

I recognize the importance of this matter. If the question period was taken up to some extent with one particular subject matter, that cannot be the responsibility of the Chair. After a while I did try to suggest to hon. members that we might go on to another subject. If the hon. member has been penalized thereby, I am sorry. Perhaps the question might be raised tomorrow.

Mr. Muir: Thank you, Mr. Speaker. There is always another day.

• (3:00 p.m.)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

Hon. C. M. Drury (for the Prime Minister) moved that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to the committee of the whole.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I rise on a point of order.

Mr. Speaker: Order. The hon. member for Halifax-East Hants is rising on a point of order.

Mr. McCleave: Mr. Speaker, my point of order concerns the motion that this bill be read a second time and referred to committee of the whole. I suggest that the motion not be put because the bill contains at least seven distinct proposals or principles; at least, I will argue that it does, though the number may be less depending on one's attitude to the various sections of the bill. Be that as it may, I suggest to Your Honour that there is more than one proposal or principle involved in this bill, and therefore, having regard to the very ancient privilege of the House that members should not be asked to give simple answers to what are, in effect, several questions intermingled together, I ask Your Honour to take the position of ordering that the bill be divided when the vote comes so that hon. members have a chance to make a decision on each proposal.

To lay the foundation for my argument, may I first note that there are these separate provisions in Bill C-207. The first part, clauses 2 to 7, creates a Department of the Environment. The second part, clauses 8 to 11, amends two acts: the Government Organization Act of 1966, and the Resources and Technical Surveys Act. The third part, clause 12, amends the National Research Council Act. The fourth part, clauses 13 to 24, creates ministries and ministers of state. The fifth part of the bill, clause 25, amends the Parliamentary Secretaries Act, otherwise known as "answering the prayers of the hungry". The sixth part, clause 26, amends the Post Office Act. The seventh part, clause 27, amends the Public Service Superannuation Act. The eighth part, clause 28, amends the Salaries Act. Finally, part nine, clauses 29 to 34, contains general and transitional provisions, and these may be apportioned variously among the other parts.

If we were to pass Bill C-207 and it became an act of this parliament, there would have to be ten separate entries made in the index of statutes passed this session. There would have to be nine consequential amendments to seven additional statutes that are amended by schedule B of this measure, and these would also have to be indexed separately. I am suggesting we have a measure here that covers the waterfront.

To recapitulate in a slightly different way, we are being asked to create a new department; we are being asked to vary administrative duties of some existing departments; we are being asked to create ministers of the Crown who will formulate and develop government policy and, as well as providing for these salaried ministers, we are being asked to provide for additional salaried Parliamentary Secretaries. Distinct from those matters, we are also asked to vote yea or nay, without hearing witnesses, on behalf of those affected on the question of the retirement rights and obligations of public servants. I think you would agree that is a most unusual step.

These are propositions contained in the measure, some of which deal with people within my vision, or who would be within my vision if we had full attendance here, and others who are outside this House. I suggest that this does strike at the right of parliamentarians to decide questions with a simple yes or no, without having to consider very complicated questions which cannot be answered very simply. This is absolutely impossible. There is a solution which would enable us to avoid this situation. I suggest it is found in a precedent established in this House by a ruling of Mr. Speaker Macnaughton on the flag resolution and also in English practice. I will

refer briefly to both. Many members of the House are familiar with the ruling of Mr. Speaker Macnaughton. It is to be found in *Votes and Proceedings* of Monday, June 15, 1964, oddly enough, right after a return to a question asked by Mr. Fisher dealing with the future of the *Bonaventure*.

The future of the "Bonnie" has been decided, but we still have this ruling by Mr. Speaker Macnaughton which I think is a guide to us in respect of this difficult motion. I am sure Your Honour is familiar with this ruling which appears at pages 427 to 431 of the Votes and Proceedings of that date. The decision of Mr. Speaker Macnaughton reads:

I must come to the conclusion that the motion before the House contains two propositions—

The problem was relatively simple because there were only two, but I suggest there may be as many as seven involved here. Mr. Speaker Macnaughton went on to say:

—and since strong objections have been made to the effect that these two propositions should not be considered together, it is my duty to divide them as follows:—

Then, he divided the two resolutions.

I was not in the House at that time, but I gather that this method of dividing these important questions was satisfactory to the members who were here. They could at least make up their minds much more easily than we can when we are dealing with this omnibus measure. I hope it will not be argued that we are not dealing with the question of principle but with the question of whether the bill should go to the committee, because many members of this House regard the second reading stage as one involving the principle. We are going to be faced with a problem somewhere along the line as to how one can cast a simple yes or no vote on a bill containing as many as seven different and distinct propositions.

I should like also to refer Your Honour to the British Hansard, for June 6, 1917 when that House was dealing with a bill concerning the "Representation of the People". The Speaker of the British House was dealing with the question of whether or not a motion should be divided. He quoted earlier authorities. One of the latest references to earlier decisions in the British House seems to indicate that members were jealous of their tradition of ensuring that they were not faced with complicated questions. The Speaker in 1917 quoted an earlier ruling of Mr. Speaker Peel of July 26, 1894, who laid down the following principle:

—that an Instruction for the division of a Bill was only possible "when that Bill was divided into parts, or else, comprising more than one subject matter, lends itself to such division into parts."

I am suggesting, Sir, that the measure before us does lend itself to division into several parts. Which ones will be the subject of dispute during the debate that follows, I have no idea, but I suppose some people would like the setting up of the environmental department but might quarrel with the idea that the old Department of Fisheries be swallowed up by it. Some people might think there should be more Parliamentary Secretaries, and I know there are a number of members around with eyes shining with anticipation, but others may think this question should be thoroughly examined. If I had any very strong objection, I would say that the creation of these ministries for example, is very basic. Only time and the debate will tell which of these seven propositions we face will exercise members who will vote yes or no, and those which will not exercise the members. I could also mention the part in respect of civil servants, which is in my view a basic part. These are the things that bother me.

I gather from reading the ruling of Mr. Speaker Macnaughton, and the history of the rulings that led up to it, that the Speaker would be guided by a sizeable number of people voicing an objection to being presented with a simple yes or no vote on a complicated question. I want to make it clear in asking for your ruling that there be a division, that I am not voicing only my objection. I speak for the members of the Official Opposition. They endorse my position that there should be this division, and they ask you, through me, that when a disposition of this motion is made Your Honour divide the questions. Then, we will not be faced with the problem of going through intellectual gymnastics in trying to decide which parts to vote against because they are objectionable and which parts to support. I think the precedents I have pointed to are sufficient, so I rest my case. I would ask that Your Honour give it respectful consideration.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I should like to make two comments on the argument which has been so ably made by the hon. member who has just taken his seat. It is true that he raises some issues which are relevant as we begin consideration of this bill. It may be of some assistance to the House to realize that the over-all theme of the bill is to improve and make more efficient the organization of government. All the propositions which are, in the words of my hon. friend, contained in the bill, are directed, at least in the mind of the government, to improving and making more efficient the organization of government. All the items the House is asked to deal with in the bill are relevant to the over-all theme.

• (3:10 p.m.)

I would argue that during this session we have dealt with bills which contained several propositions. We have dealt with bills in this session which have amended several other acts. One which comes to mind immediately is the omnibus loans bill which included loan guarantees for fishermen, farmers and others. Those three were dealt with at the same time. Yesterday, we dealt with the second reading of the textile legislation and I believe one could find quite a number of propositions in that particular bill. Mr. Speaker, I would also mention that on previous occasions we have had before us similar government organization bills in which new departments have been created, so at such times essentially the same kind of legislation has been considered. There is, therefore, ample precedent. I do not see any difficulty from that point of view, but I now come to the crux of the argument made by the hon. member, namely, that there are several principles in this bill.

The authorities, of course, always refer to the principle of the bill on second reading. Presumably, one could argue that the over-all principle of this bill is to ask the House to approve a scheme of improved organization of government. That would be the single principle, but there are other principles as well. Mr. Speaker Michener did rule on this point at one time when he was confronted with a bill which made him ask the question, can a bill which raises several principles, come before the House for second reading. I recall very clearly the ruling but I have not had an opportunity to find it. He ruled that on second reading the House could indeed be involved with a bill which contained one or several principles. I would argue that this ruling is relevant here if my hon. friend's argument that there must be one principle and one proposition is to be pressed. I think that both precedent and that particular ruling would assist in clarifying the point.

I shall conclude by saying that the House, in looking at this bill on second reading, presumably must balance the principles and consider whether those principles each hon. member can support are more important than those he may not be able to support. In other words, we would have to be guided by that consideration as we all are in looking at any bill. An hon. member could give support over-all to the bill on second reading and then, when it reaches the committee of the whole stage, he would have an opportunity to say yes or no to each particular proposition. The House is not at any particular point being denied an opportunity to judge every single proposition in the bill, because that is the purpose of the committee stage. Hon. members will be able to determine their attitude in respect of the Department of the Environment, in respect of the Ministries and the Ministers of State and in respect of the Public Service Superannuation and they can say yes or no. So, no opportunity is denied members to decide on each of these so-called propositions.

I shall simply summarize, Mr. Speaker, by saying the over-all theme or over-all principle of the bill is the improved organization of the government and that each of these so-called propositions is directed to that policy objective. In the past, we have had bills which have included changes in various departments. We have had bills which included various propositions. Indeed, we have a ruling of Mr. Speaker Michener that on second reading the House could be asked to deal with a bill which contained several principles. Finally, the members of the House will be given an opportunity to say yes or no to each of the so-called propositions when each clause is called during the committee of the whole stage.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to commend the hon. member for Halifax-East Hants (Mr. McCleave) for raising this point of order. It is one to which I believe Your Honour will have to give very serious consideration. I shall not have the time of the House to produce all the citations, partly because I do not have them in front of me and partly because I am sure I produced them all in the debate which led to the ruling of Mr. Speaker Macnaughton to which reference has already been made. At the outset I may say, in terms of dealing with precedents, that there is one difficulty we have in that the ruling of Mr. Speaker Macnaughton was in respect of a resolution, whereas this is in respect of the second reading of a bill. I admit that before we start. However, I believe the principle which has been enunciated by the hon. member for Halifax-East Hants still stands, namely, that Parliament should have the right to make a decision on a principle standing by itself.

I should like to answer directly the main argument used by the President of the Privy Council (Mr. MacEachen). Before doing so, may I say that the reply of the President of the Privy Council to this point demonstrates how serious the matter is. The Government House Leader says we have often done this. He pointed out that a while ago we had before us a bill which amended three loans acts and that on various occasions we have had before us what are called omnibus bills. This is exactly the point. This is the reason I believe it is exceedingly important that this point of order has been raised at this time. In this bill I believe we have a glaring example of how far a government can go when it starts to operate under the umbrella of an omnibus bill. This bill not only has the nine or 10 parts, each of which is separate from the other, but also has schedules and in some of the items in the schedules there is not just a list of departments which have been moved around but actual amendments to statutes which are not referred to in any of the nine parts of the bill itself.

You know, Mr. Speaker, one must not place ideas in the government's head because those ideas might be picked up. However, it is not a very giant step from this to one bill which would include the work of the whole session. The government could bring us here and while we were debating the address in reply to the Speech from the Throne a huge omnibus bill could be brought in for the improvement of life in Canada. There would be about 14 parts in the bill covering the many things the government had in mind, as well as a schedule containing all the little details, and before we knew it we would have the work of a complete session introduced in one bill. Perhaps I am carrying this a little far, but of course one does this in making a point, and with this government even the absurd is not impossible. So, I say that in terms of the operation of Parliament this point of order is very important. How far can a government go in combining a host of different subjects into one bill and ask Parliament to vote on them en bloc without any regard for the individual points?

• (3:20 p.m.)

Now Sir, the chief argument that the President of the Privy Council used to try to offset the case made by the hon. member for Halifax-East Hants was that the House is not being denied the right to make a decision on each of the individual parts of the bill. I challenge that statement. The Committee of the Whole may have the chance to make a decision by a standing vote which is not recorded—no names are put down—on each individual

part of the bill. But the Committee of the Whole is not the House. In fact, Your Honour frequently has to draw our attention to that. You are not unaware, as the Hon. Lucien Lamoureux, of what goes on around here. However, as Mr. Speaker, you are aware only of what goes on in the House, not of what goes on in the Committee of the Whole.

Under our new rules, when a bill goes to a standing committee and comes back for the report stage, we can of course cope with this problem by putting down report stage amendments. In fact, I have frequently defended the establishing of that new process as one of the best things we have done around here. It is now possible for a bill that has gone to a standing committee to come back here and become subject to report stage amendments which are debated in the House with Mr. Speaker in the Chair and to have recorded votes on each amendment. As a result, the House can make a decision on every individual point. If this bill were being sent to a standing committee instead of being dealt with by Committee of the Whole House, that would apply. When the bill came back at the report stage, members could pick out the parts with which they disagreed and put down the appropriate amendment. The House could then make its decision.

However, the motion calls for this bill to go to Committee of the Whole House, and our rule is quite clear. When a bill is reported from Committee of the Whole House, there is no debate and no amendments are allowed at that point. So, the House itself will have no chance whatsoever, despite the assurance of the President of the Privy Council, to vote on the individual propositions either at second or third reading.

I submit that because of this situation, very serious consideration will have to be given to it. Your Honour has been working pretty diligently from your seat up there on high and you may have a ruling by the time this debate is over. On the other hand, you may like to take it under consideration. The point made by the hon. member for Halifax-East Hants carries weight when he says that a lot depends on how considerable the opposition is to this section or that. He quoted Mr. Speaker Macnaughton on that point, and it may be that Your Honour may wish to reserve your judgment.

The heart of the appeal that is being made is that the House should have the right to vote separately on these different individual propositions, and notwithstanding the assertion made by the President of the Privy Council, that right is not given to us on the one vote on second reading. It will not be given to us on the one vote on third reading, and we do not get a chance to vote at the report stage on this bill. Therefore, I say that this right is being denied.

Another argument of the President of the Privy Council is that there is one principle involved, that this bill is to improve the organization of the government of Canada. That is a nice play on words, and we have had a fair amount of that today. But in general terms, surely that principle applies only to the setting up of new departments and to shoving or pushing the ministers around a bit. When you get down to the question of Parliamentary Secretaries, to the amendment of the Members of Parliament Retiring Allowances Act, or to amendments to the Public Service Superannuation Act, surely you are getting a long way from the broad general principle of reorganizing the government of Canada. I do not think that a case can be made for the assertion that this is just one general proposition. It is a mixed bag of nine parts, with at least seven or eight different propositions in those nine parts, plus all the individual items that are set out in the schedules. I think this is a most unsatisfactory way to deal with the business before us.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I thank you for allowing me to take part in this most important debate.

I commend the hon. member for Halifax-East Hants (Mr. McCleave) for raising a point of order, so as to show, once more, the embarassment where the hon. members find themselves.

Mr. Speaker, I have listened with a great deal of interest to the arguments of the President of the Privy Council (Mr. MacEachen) and, from the way he talks, one quickly understands that for the government it has become a matter of fact and that, more and more, motions or bills will be moved that will bear on a whole series of separate proposals.

Mr. Speaker, I would like to discuss briefly a particular point. The President of the Privy Council bases himself on the principle that more and more, in the past, the Chair has accepted the principle of omnibus bills, that is bills which contained several different proposals.

Mr. Speaker, on behalf of my own group, I want to say that the principle of omnibus bills has become for the government a weapon which allows it to handle in its own way the vote of each and every government and opposition member. This principle has become a weapon against democracy and the voting freedom of Parliament members.

Mr. Speaker, one may wonder about the meaning of the vote cast by a member since the right to vote in this House is one of the reasons why we have been elected. Now, the basic quality of a member's vote is that it is freely cast.

Secondly, his vote must be enlightened, that is to say, the member must be in a position to understand easily what it is about.

Let us remember the last omnibus bill containing some hundred amendments to the Criminal Code, and which raised for us a problem of conscience. At that time we either had to vote for the whole bill or to reject it.

It will be alleged that it is still possible for a member to object to a part of the bill he does not approve at the report stage, at the second reading stage or at the committee stage. But, Mr. Speaker, on second reading, the vote is not taken on that, but on the principle of the bill. If the practice of introducing omnibus bills is carried

on, members of Parliament will hardly have anything else to do but to press on a button to indicate whether they are for or against a bill depending on its title.

Mr. Speaker, the government thinks that because legislation is introduced it will succeed in solving a given problem. As far as the opposition is concerned, it does not seem a good way to do it. And the trouble does not come from the fact that sometimes the opposition will disagree with the government, but, as the hon. member for Halifax-East Hants said a while ago, from the fact that a member may be for five proposals and against the seven others, whereas another supports three proposals and opposes the nine others. A member be in favour of the 12 proposals and likewise he can be against them all.

If the Chair accepts the principle of omnibus bills, whatever their content, only members in favour of the whole bill or those opposed to the whole bill can truly exercise their right to vote in a free and enlightened way. This is riding rough-shod over the enlightened and free vote of all members in favour of some proposals and opposed to others.

If a thorough statistical study were to be undertaken, it would be found that throughout the House extremely few members are either in favour of or against the whole omnibus bill. I voice again our concern that omnibus bills, that I would term package deals and take it or leave it propositions, are used by the government to deprive members of their right to vote freely. Hence, a member is placed in such a position that he actually cannot vote according to his conscience. If he is in favour of certain social measures, it does not necessarily mean that he would be in favour of 50 other proposals included in the bill. Under this procedure, the member is forced to vote for or against a bill as a whole under the pretext of speeding up the proceedings.

• (3:30 p.m.)

I wonder, Mr. Speaker, if the time has not come to establish at this stage whether it is better to speed up the proceedings to the limit, or to respect the stand and the views of the various members on each proposal contained in a bill.

As far as we are concerned, we strongly object to the principle of omnibus bills which trample on the rights and freedom of members and also on the authority of Parliament, which can easily dispose of motions, as can often be seen.

Mr. Speaker, I wish to refer to page 56 of the Standing Orders of the House of Commons. I have little experience of parliamentary procedure, but nevertheless I wish to quote paragraph (10) of Standing Order 58, which reads in part as follows:

> —the Speaker ... shall put forthwith successively, without debate or amendment, every question necessary to dispose of any item of business relating to interim supply, main estimates, and supplementary of final estimates—

So, Mr. Speaker, I wonder why at this stage you could not raise and put all the questions contained in the

[Mr. Fortin.]

omnibus bill so that the business of the House might be expedited to the great satisfaction of the government.

Mr. Speaker, you may smile at this little example because it is so simple, but it certainly would be normal, especially as we are aware of your concern for the protection of members' rights. If it is abnormal to move a motion to cover all those financial matters, we suggest that a bad procedure is being perpetuated because then we keep supporting the government when it introduces omnibus bills that may contain from 10 to 200 different proposals.

Mr. Speaker, the argument of the President of the Privy Council has no validity whatever, for it is utterly preposterous to talk about a "reorganization of the government". If it had any validity, one could in the same bill introduce a motion on every department and Crown corporation and all the Chair would have to say is: "It is true, these various elements are related because they all have to do with the government."

Mr. Speaker, I maintain that this is an instrument in the hands of this government to trample democracy and participation, as well as the freedom of each member.

I hope to be forgiven for this argumentation which is more or less in order. I merely wanted to base it on good common sense which, I submit, is too often trampled on in this chamber.

[*English*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, some 15 or 20 minutes ago I thought I had a number of fresh arguments to advance, but the last two speakers have pretty well covered the ground which I had hoped to cover. Having listened to them, and more particularly to the President of the Privy Council (Mr. MacEachen), I am more than ever convinced that my colleague, the hon. member for Halifax-East Hants (Mr. McCleave) is correct.

It seems to me that the minister, in effect, is asking Parliament to say that the end justifies the means. He says that the purpose of this bill is the efficient re-organization of the government, and therefore everything can be locked into the same bag. I put it to him that his argument is ridiculous because we could take every measure that comes before the House dealing with matters of trade, whether sponsored by the Minister of Finance (Mr. Benson) or the Minister of Industry, Trade and Commerce (Mr. Pepin), lump them into one bill, and say that they were for the more efficient prosecution of the trade of Canada. In other words, during a whole session we might have perhaps only half a dozen omnibus bills. I see the President of the Treasury Board (Mr. Drury) benignly nodding his head. That is just the attitude I find so repugnant, the attitude that the end would justify the means.

I find it exceedingly difficult to see how one can ask the House to pronounce itself, on second reading, on a ministry to be set up to deal with environmental control, which I am sure meets with general approval in the

House, and at the same time on the question of the early retirement of certain civil servants, which happens to be fitted into this omnibus bill. The relationship between those two questions is absolutely non-existent. There is no connection between the early retirement of senior civil servants and the creation of this new ministry. Yet we are being asked to decide on these two questions in single recorded votes, both on second reading and third reading. That is a denial of fairness. I must add my voice to those who protest most vehemently against our being asked to consider second reading of a bill of this kind.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I do not wish to take up the time of the House with arguments that have already been so well presented, particularly by my colleague the hon. member for Halifax-East Hants (Mr. McCleave), and by the hon. member for Winnipeg North Centre (Mr. Knowles). As a matter of fact, the latter advanced some arguments that I was going to present, and I agree thoroughly with what he said. I would just like to add that I do not think he went far enough.

The question of what items should be within a single piece of legislation, as Your Honour well knows, has been a problem for a great many years. Shortly after I first came to the House in 1954, the government of the day presented a series of amendments to the Criminal Code and, although contained in one bill, they seemed to involve a great many unrelated principles. Of course at that time there was an opportunity for a member to express his views in the House on second reading but there was no opportunity—and I think this is important—to have a recorded vote on specific amendments, as there is under our new procedures. At that time, technically speaking, while the proposed amendments came under the same umbrella, inasmuch as they dealt with the criminal law of Canada, I repeat that they dealt with a number of different principles.

• (3:40 p.m.)

When the latest amendments to the Criminal Code were considered a couple of years ago there was, of course, under our new rules an opportunity for hon. members on the report stage, after the bill had been referred to special committees of this House, to express their views on the different principles involved. These principles involved such things as gambling, lotteries, abortion, sex offences and the like. However, as has been pointed out, in with this bill we are dealing with a whole series of apparently unrelated principles. We are being asked at this time to vote on them en bloc. It is like saying to us, "Do not throw out the baby with the bath water; surely, you do not want to vote against the whole bill just because of one small objection you have to one aspect of the bill?" The implication in that argument is that every member of the House is in complete agreement with almost every clause of the bill, and that is manifestly not so. I am sure Your Honour recognizes that.

In that connection, Your Honour, may I say that I think it is the right and privilege of every member of this House to make known his position on certain matters. That is one of the reasons our constituents sent us down here. On matters of public importance, and particularly of moral importance, that come before this House, a member has the right to have his vote recorded. If this bill is considered in committee of the whole, there will be no opportunity whatsoever for a member's vote, to be recorded so that his constituents will know how he voted. Under those circumstances our parliamentary system provides no opportunity for recording the votes of elected representatives, on certain subjects. It has been said, "Of course, the people can read *Hansard*." It is not always easy for constituents to get hold of copies of *Hansard*, particularly since nowadays there are such large constituencies. I think it is only fair and proper that a member's position on any particular clause of the bill, especially a bill containing a number of unrelated items such as this bill, should be recorded.

This leads me to the final point I wish to make, Mr. Speaker. I have already indicated on many occasions in this House when successive governments have been in power, and when a question has arisen about the sort of legislation which may be presented to the House, that I object to an umbrella bill which introduces a whole lot of unrelated principles.

An hon. Member: The Tories did that.

Mr. Nesbitt: Arguments have been presented on this point. For instance, the President of the Privy Council (Mr. MacEachen) may express the view that this is really a bill to improve the organization of government. Yet, as the hon. member for Winnipeg North Centre (Mr. Knowles) so aptly put it, you could include almost everything in such a bill and call it an act to improve the quality of life in Canada. I submit that a set of principles or guidelines will have to be laid down. I do not think anyone in this House wants to place an unnecessary burden on Your Honour or whoever may in future succeed Your Honour. Nevertheless, somehow guidelines will have to be laid down. These matters have come before this House time and again. Unless guidelines are laid down to prevent governments, either the present government or any other, from trying to do this kind of thing, this House will become nothing but a mockery and a joke. I suggest, respectfully, that Your Honour might defer a decision in this matter for a day or so, and then lay down for the present occasion as well as for future occasions a set of guidelines that ought to be followed in such cases.

I realize, being a pragmatic person, that a certain amount of discretion must always be left to Your Honour, or to your eventual successor. That will be necessary. It seems to me that some sort of guidelines will have to be laid down to indicate that the parts, of any omnibus bill that is presented to the House must bear some closer relationships than is apparent in this case. In other words, the principles of the bill, to refer to Mr. Speaker Michener's decision alluded to by the President of the Privy Council, must themselves be related. I hope that to avoid difficulties not only on this occasion but in future, Your Honour will lay down some guide-

lines. I hope, when this kind of legislation is presented to the House in future, it will be necessary for it to fall within the ambit of certain guidelines. I hope Your Honour might be able to do this.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have listened very carefully to the arguments which have been advanced. It seems to me that the main burden of the argument that has been made is that members of the House must, when the Speaker is in the chair, be provided with an opportunity of voting, if not on all the details, at least on all the separate propositions contained within any bill. If that is valid, Mr. Speaker, then I suggest there is no purpose for the committee of the whole; and, if you want to take the argument to ridiculous lengths, there is probably no purpose for the standing committees of the House, either. If hon. members opposite wish to argue that all the details or different propositions of any bill must be the subject of a separate vote, with Mr. Speaker in the chair—I am not arguing as to the purpose for which members might wish to have their votes recorded—then, of course, there would be no reason for the committee to take under consideration bills of this nature, or any other nature.

I suggest, Mr. Speaker, that it is competent for either standing committees of this House, or indeed, the committee of the whole of this House, to amend any clause of this or any other bill. To be more specific, Mr. Speaker, the amending capability enables such committees to delete completely any clause from this or any other bill. This has been the practice for a very long period of time, Mr. Speaker. So, when any member argues that he does not have an opportunity to disagree with this or that individual provision of this bill or indicate that he supports other parts of the bill, I submit that his argument is not valid.

Mr. Nesbitt: Nobody has argued that point.

Mr. Olson: I suggest, further, that every member of the House is also a member of the committee of the whole, and that the opportunity of disagreeing or agreeing is not denied to him. It is a novel argument, I suggest, that every disagreement with respect to certain provisions within a bill ought to be the subject of a recorded vote. The hon. member for Oxford (Mr. Nesbitt) supports that argument. He says he wants to advise his constituents how he voted on any of the separate propositions of the bill.

Mr. Nesbitt: My constituents want to know how you vote. I do not know if that holds true for the minister's constituents.

Mr. Olson: That has not been the practice of this House, either in the committee of the whole or with regard to standing committees. Hon. members have known for a long time that the total numbers of those for or against a proposition only have been recorded.

Mr. Alexander: Could the minister elaborate on that point?

[Mr. Nesbitt.]

Mr. Olson: Citation 389 of Beauchesne's Fourth Edition, page 279, reads in part:

> A motion opposing the second reading of a Bill must not anticipate amendments which may be moved in Committee. Alterations which may be affected by amending the clauses of the Bill cannot be moved on the second reading.

I know that it is not intended to move amendments to the motion at present. I have quoted that citation only to give credence to our rules, and to the precedents for our rules, which provide that there is an opportunity in the committee of the whole and in standing committees for amendments of substance to be moved.

I think that if the arguments against our proceeding with the bill at this time hinge on the point that hon. members will not have an opportunity to vote on each separate proposition in the bill, I can only say that these arguments, if acceded to, would be a new departure and not in keeping with the practice over a long period.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, even though I have sat in the House for a limited time, I have the nerve to say that I listened with amazement to the minister who just spoke. My first experience with an omnibus bill was the bill dealing with the Criminal Code amendments relating to homosexuality, abortion and other matters. I listened to that debate in my early days in this House. I sat here perplexed and frustrated because the procedure leaves individual members, particularly on the opposition side, in a precarious position. I am not too interested in members sitting on the government side because I know how they think and how they vote.

• (3:50 p.m.)

An hon. Member: How do you know?

Mr. Alexander: I know because of the pattern of the record. I hope the minister is not trying to convince me that this procedure is correct and that it is, in truth, participatory democracy. A member on this side may be in favour of some parts of the bill and unalterably opposed to others. Nevertheless, to be credible and to show involvement in the work of the House he has to vote either directly for or against the bill as a whole. I do not want the minister to shake his head when he knows what happened in connection with that omnibus bill. I hope he is not serious when he says it does not really matter. It is one thing for people over there, where members are like sheep who follow a leader, and another thing for those who sit on opposition benches and wish to become involved with certain principles which they find either offensive or in keeping with their own ideas.

[*Translation*]

Mr. Speaker: I note that the hon. member for Abitibi (Mr. Laprise) wishes to take part in the debate. Evidently, I will allow him to do so, but I would suggest to hon. members that I have heard the argument for and against the point of procedure raised by the hon. member for Halifax-East Hants (Mr. McCleave) a moment ago and I will soon be ready to make a ruling, taking into account all the points raised during the debate. Moreover, each of the members who wished to take part in the discussion

has had the opportunity to do so without any intervention from the Chair. I think that in all fairness, the hon. member for Abitibi should enjoy the same privilege. The House will be interested in hearing him, I am sure; but if hon. members agree with me, after having heard the hon. member for Abitibi, I will give hon. members an opportunity to hear my own views in this connection

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I do not intend speaking at length on this matter. I know that many things have been said for and against omnibus bills. As far as I am concerned, I am opposed to this type of proceeding which places members in rather tricky situations. One part of an omnibus bill may be easily acceptable to us while another may leave doubts in our minds.

We can recall the omnibus bill to amend the Criminal Code and also a similar bill introducted in 1966 or 1967 concerning an increase in old age security pensions from $65 to $75. Everyone agreed on this point, but the bill also included a provision to increase taxes in order to replenish the old age security fund, which many opposed. It was therefore necessary to approve or reject both provisions as a whole. In consequence our position was untenable.

According to the government, this type of bill is introduced in order to facilitate consideration of it. I suggest that it is not so. If the bill on government re-organization had been studied in stages, if the case of each department had been examined, it could have been determined which ones need to be organized or re-organized. Certain provisions could have been adopted in five minutes, ten at the most. For the others, a little more time would have been needed, but on the whole all members would have been able to express their views on each provision, and that is not the case now.

I believe that the government should stop introducing bills of this sort and should instead submit very specific bills so that we may express our views clearly and frankly.

Mr. Speaker: I thank the hon. member for Abitibi (Mr. Laprise) as well as his colleagues who have wanted to make their views known and thus enable the Chair to benefit from their long experience in order to make a decision and to humbly express its opinion on the matter.

[*English*]

The point raised by the hon. member for Halifax-East Hants (Mr. McCleave) is one of very great importance. I think I may say that when this bill was introduced in the House and given first reading, I raised my eyebrows and wondered whether the established procedures were being followed. Because of that, I have been thinking about the situation, and even before the point was raised by the hon. member for Halifax-East Hants I gave the matter serious thought wondering whether we were proceeding in the right direction.

There is no doubt in my mind that there is considerable substance in the point raised by the hon. member in the first instance. I am also quite impressed by the argument advanced by other hon. members in support of his objection. I think that, in a way, he has a legitimate grievance or complaint.

My problem is, of course, whether he can advance a legitimate procedural argument, and this is where I find some difficulty. As the House knows, the Chair has to be guided to a considerable extent by precedents established over a number of years. During the hour or so this debate has been going on, the learned gentlemen at the table have obtained for me, at my request, certain precedents showing that similar points have been raised in the past. This is not the first time we have had before us a measure of the kind which have been called omnibus bills. On many occasions objections have been raised very strongly by hon. members. I would not like to go into all the details but, briefly, if hon. members will allow me, on April 2, 1953 the House had before it an amendment to the National Defence Act. Mr. Brown of St. John's West raised the point:

> I have no doubt the minister can explain why this resolution covers two or three acts. Is it customary to do that?

As members will see, the point was being raised in 1953, and I am sure it was raised even before that. The Minister of National Defence at that time, Mr. Brooke Claxton, claimed that this was what had been done in the past and, as was done today, suggested this had long been the practice of the House. In any event, nothing was done, and the bill was presented to the House unchanged. It was voted upon in its original form.

The question was brought up again; the same bill was subjected to the same objection. The objection of the hon. member for Winnipeg North Centre (Mr. Knowles) was reported at length in *Hansard* on December 10, 1953, at page 797. His words are preserved there for posterity and perhaps I should repeat them for the benefit of double posterity, if that exists.

> This procedure places the members of the house in the situation of being faced with a resolution which deals with eight different matters. Naturally there are eight different principles involved under ordinary circumstances. As far as I can see from casual examination, most of these things are matters which perhaps everyone in the committee would agree with. When we hear more about them, that may not be so. In any event, it might very well be that amongst those eight amendments is one with which we would disagree violently and therefore feel called upon to vote against the resolution or particularly, after we have the bill and have the information, to vote against the bill because of that one matter.

This is the argument which was advanced in 1953 by the hon. member for Winnipeg North Centre.

Mr. Knowles (Winnipeg North Centre): Well put!

Mr. Speaker: The argument was well put, as it was well put today by the hon. member for Winnipeg North Centre and others. I said that I did not want to go into the details of the few precedents I have before me of more recent vintage. However, reference was made to the Veterans Benefit Act of 1954, and again the same argument was made by the hon. member for Winnipeg North Centre. Then, jumping a decade or so we go to 1964, when the late, respected and beloved member for Digby-

Annapolis-Kings, the Hon. George C. Nowlan, raised the same point. He said, as reported at page 9086 of *Hansard* for October 15 of that year:

> As the minister has told us, we are dealing here with the Canadian and British Insurance Companies Act, the Foreign Insurance Companies Act, the Trust Companies Act and the Loan Companies Act. Quite a mélange.

• (4:00 p.m.)

Perhaps hon. members might have wanted to say the same thing about the bill now before the House. There is no question, without going further into the details, that this is a long established practice. We have had this type of omnibus bill before the House on many occasions. The President of the Privy Council and the Minister of Agriculture have quite rightly argued their case that this is long established practice and that the government has followed past practice. That is their argument and it has to be respected. Certainly, the Chair must take that into account because of the importance of precedent in our system.

However, where do we stop? Where is the point of no return? The hon. member for Winnipeg North Centre, and I believe the hon. member for Edmonton West, said that we might reach the point where we would have only one bill, a bill at the start of the session for the improvement of the quality of life in Canada which would include every single proposed piece of legislation for the session. That would be an omnibus bill with a capital "O" and a capital "B". But would it be acceptable legislation? There must be a point where we go beyond what is acceptable from a strictly parliamentary standpoint.

At the same time, having now reached second reading and having had this bill before us for some time, I doubt whether we should take the very drastic and extreme position, as I suggest to hon. members it would be, of saying that this bill is not acceptable to the House, that it should not be put by the government and that it should not be considered by hon. members. In my view it should be the responsibility of the Chair, when such bill is introduced and given first reading, to take the initiative and raise the matter for consideration of the House by way of a point of order, as I have taken the liberty of doing with a number of private members' bills. When those bill came before the House for first reading I entered a caveat about them and gave hon. members an opportunity of expressing their views. At any rate, some of those bills were refused by the Chair.

At that point, it is much easier for the government to go back to the legislative mill, to the judicial luminaries of the Department of Justice, where these bills are prepared for the consideration of Parliament. If I may say so, I think that even those very learned gentlemen should take into account the fact that this aspect of legislation is of interest to all hon. members, of interest I am sure to the government, and certainly of interest to the Chair, namely, that there must be a point where an omnibus bill becomes more than an omnibus bill and is not acceptable from a procedural standpoint.

One or two hon. members have argued that there would not be an opportunity for members to express their views by way of a vote on individual parts of the bill or individual clauses. That is perhaps not entirely correct. I am not here referring to the committee of the whole; I have made that distinction before now. For hon. members to express their view in committee of the whole on a particular clause of the bill is not the same as being given an opportunity to express their views on a clause of the bill by way of a recorded vote.

The House must note that there is a third reading stage of a bill. When a bill comes to the House for third reading, there is not one clause or one part of the bill that cannot be brought into question by way of an amendment proposing that the particular clause or section be referred back to committee. I think this gives every hon. member an opportunity to vote either for or against, or to express his views in the House either for or against, a particular clause or part of the bill, and to do so by way of a recorded vote. Accordingly there still is a measure of protection afforded hon. members.

Having said this, I would have to rule—if I must rule—that the government has followed the practice that has been accepted in the past, rightly or wrongly, but that we may have reached the point where we are going too far and that omnibus bills seek to take in too much. All hon. members should be alerted to this difficulty of which the Chair is fully conscious. When another omnibus bill is proposed to the House, it should be scrutinized at first reading stage, when hon. members will be given the opportunity of expressing their view, and the Chair can express its view, either that the bill goes too far or that it is acceptable from a procedural standpoint.

I think that this discussion has been a valuable one, certainly as far as the Chair is concerned, and I thank hon. members for the views that they have expressed. Certainly, I am very impressed by them and propose to take them into account when the circumstances warrant an examination of the point of order in the future.

Mr. Alexander: Mr. Speaker, on a point of order. I am always first to stand and say that I appreciate the wisdom and experience of the Speaker. In view of the preamble to your ruling, so properly given, and in view of the fact you have indicated that an omnibus bill might encompass all matters related to the improvement of the quality of life of all Canadians, it seems to me it would be proper and justifiable to reach the conclusion that Mr. Speaker has perhaps chastised the government lightly but firmly.

Mr. Speaker: I suggest that is hardly a point of order; it is more a point of disorder.

Mr. Nesbitt: Mr. Speaker, I have a brief point of order which is perhaps more in the nature of a question. At some future date, perhaps after this legislation has gone through the House with whatever the result, I wonder if Your Honour might give consideration to giving the House your views on the set of principles which should be applied to omnibus bills.

Mr. Skoreyko: Mr. Speaker, I have the same point of order. I, too, entirely concur with the views expressed by members of the House and, indeed, with your ruling. I think it is important at this juncture to point out, if I may, that according to the precedents cited, at no time has an omnibus bill been presented to the House giving carte blanche to the government to appoint ministers, Parliamentary Secretaries and the like. That is an important point which I think should be taken into consideration in the future.

Mr. Speaker: It seems to me that at this point we are resuming the debate we were having a moment ago. Perhaps hon. members might have expressed these views while we were considering the point of order, so that additional arguments might have been advanced for the consideration of the government and the guidance of the Chair. However, the motion has now been put and the Chair recognizes the President of the Treasury Board.

• (4:10 p.m.)

[*Translation*]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in moving second reading of the bill sponsored by the Prime Minister (Mr. Trudeau), I should like to make it clear that I do not intend to go into detail regarding each clause of this bill, because this can be done after the motion for second reading has been passed. Hon. members may wish to raise questions of a general nature relating to the bill; I shall try to answer them. It is my intention to deal with the principle on which the provisions of this bill are based.

In essence, the government organization bill deals with the constant challenge facing Parliament and the government to be as efficient as possible in doing those things which are in the interest of the Canadian people and society. This challenge is imposed upon us by the rapid changes taking place today, and our response in this regard must be positive. Both Parliament and the government must be flexible; both must adapt their procedures and structures; and in the final analysis, the test is whether they are continuing to respond effectively to the needs of the society and of the world with which they must deal.

The government is determined to meet the challenge of change by continually enhancing its capacity to deal effectively with all those matters that are vital to the welfare of Canadians. If enacted, the bill before us, will better equip the government to develop and implement new policies to serve Canadians in a variety of fields: amongst them, the fight against pollution. At the same time it will provide for greater accountability of the executive to Parliament.

Mr. Speaker, I should now like to turn to Part I of the government organization bill, the Department of the Environment Act.

I believe that very few Canadians need to be convinced that the challenge posed by a deteriorating environment, which faces all people and particularly those living in industrialized nations such as Canada, is one that raises the very issue of human survival itself.

This fundamental issue was clearly recognized by hon. members through their initiative some months ago, to call for the establishment of a Special Committee on Environmental Pollution, which has been ably chaired by the member from Esquimalt-Saanich (Mr. Anderson). I have no doubt that if Parliament approves the proposal to establish a Department of the Environment, the new minister and his officials will follow with keen interest the proceedings of this Special Committee.

A principal objective of the proposed minister of the environment and of his department would be to ensure that Canadians, both now and in the future, would be able to enjoy a natural environment of high quality. It would be their task to see that acceptable levels of environmental quality are set and where they have been transgressed, that efforts are made to restore these levels and to prevent undesirable changes in the future.

These statements are easy to make, Mr. Speaker, but in a society where many have only recently become aware of and concerned about the problems of environmental quality, a new understanding of and new perspectives on these problems must be developed so that we can come to a general agreement on the sort of balance that should be struck between the quality of our natural environment and the pursuit of those activities which often result in pollution of the environment. The new minister must help Canadians understand the causes and effects of environmental change and their implications, so that the activities of our community can be directed to achieve desirable levels of environmental quality.

Part I of the Government Organization Bill outlines the powers, duties and functions of the Minister of the Environment and lists the statutes for which he is to be responsible. In addition to the minister's general responsibility for renewable resources and for environmental quality, his responsibilities will include those recently transferred to the Minister of Fisheries and Forestry by order in council pursuant to the Public Service Rearrangement and Transfer of Duties Act. While as a general rule it is important to separate within the administration of public affairs, the exploitation interest from the conservation interest, this rule should not apply in a strict sense—it is important to make a distinction particularly where the resources in question are renewable. Fish, wildlife, crops and trees must have a clean environment if they are to flourish, and they often provide our first indicators of environmental deterioration. Those who are involved in the field of renewable resources have a keen understanding of the importance of conservation and high levels of environmental quality.

In fisheries and forestry for example, there is a keen awareness of the importance of conservation and of the maintenance of environmental quality to continuing commercial success. Therefore, the addition of new emphasis on conservation will not detract from but augment the traditional role of the federal government in relation to those who are engaged in the fisheries business and forestry business. Accordingly, I am confident that the

new department will serve the interests of those engaged in fisheries and forestry operations even more effectively than they have in the past.

The renewable resources elements of the new department will be in partnership with the new environmental quality activities of the federal government which were recently transferred to the Minister of Fisheries and Forestry. The water sector of the Department of Energy, Mines and Resources, one of the recent transfers, is concerned both with the quality of water and with the management of water as a resource. These two responsibilities are, for all practical purposes, inseparable. This was the conclusion last summer when the House passed the Canada Water Act which embodies the concept of integrated management for water.

The minister of Energy, Mines and Resources (Mr. Greene) will retain his responsibilities for all energy matters, including the generation of hydro-electric power. The new Department of the Environment will, however, continue to provide the bulk of the water surveys and related information required by the Department of Energy, Mines and Resources in its activities concerning the development of hydro-electric power.

Certain important water pollution monitoring and control activities of the Department of National Health and Welfare have also been transferred the the Minister of Fisheries and Forestry and will form part of the new department.

The bulk of the air pollution programs of the Department of National Health and Welfare have likewise been transferred to the Minister of Fisheries and Forestry, since these have assumed the brunt of the federal government's fight against air pollution.

The transfer of the Meteorological Branch of the Department of Transport to the Minister of Fisheries and Forestry will complement these air pollution programs. Thereby forming the nucleus of the new department's concerns for atmospheric quality. There is, of course, a close inter-relationship between concern for water and for atmospheric matters.

• (4:20 p.m.)

[*English*]

I would like to enlarge upon some aspects of the role of the Department of Energy, Mines and Resources now that its former responsibilities for water have been transferred from the minister of that department to the Minister of Fisheries and Forestry (Mr. Davis). An increasing emphasis must be placed on the development of our energy and mineral resources. These are likely to be two of the most important areas of national interest in the 70's; they are keys to the future. Powerful states and great societies will be mightily concerned about them, as we who have them so richly in our inheritance, must also be. It is with this understanding that the responsibilities of the Department of Energy, Mines and Resources for the development of comprehensive and coordinated policies in these areas have become substantially greater in the last year or so.

I am sure that I do not have to remind the House, Mr. Speaker, of the recent successful efforts directed by the Minister of Energy, Mines and Resources (Mr. Greene) which will result in greater access for Canadian oil to the U.S. markets. Efforts of this kind, which the Government has accelerated in the last year or so, must be based on full and clear understanding of the energy and mineral resources of Canada and the implications for the well-being of Canadians of their exploitation and marketing, as well as of the impact on the quality of the environment.

Parts II and III of the bill, Mr. Speaker, deal with matters consequential on the establishment of the Department of Environment, as well as a few other matters which do not affect the principle of this bill.

Accordingly, I will move on to Part IV, the Ministries and Ministers of State Act. The warp and woof of our ministerial system is very complex. Strands of history and tradition are interwoven with elementary political principles and the basic values of our society to form a continuously evolving fabric. One does not tamper with this system except with very good reason and after the most careful consideration.

Situated at the interface between Crown and Parliament or, as those educated in the American tradition might say, between the executive and the legislature, the ministerial system is in many respects the essential characteristic of our form of government. As such, its development is rightly very much of concern to Parliament generally, and to this House in particular. One of the reasons, then, for bringing forward in the form of legislation the changes envisaged by this bill, is that doing so affords an opportunity for us to talk about the ministerial system, to review how it has evolved in recent years and how it may evolve in the future.

A good point of departure for such a discussion is perhaps an obeisance to the fundamental constitutional principle that it is the Crown's business to organize itself for the administration of the affairs of state, and Parliament's business to guide and supervise that administration by grants to or withdrawals from the executive of duties, powers and functions and of the funds with which to exercise them. Hon. members will immediately recognize that these statements are clearly very great simplifications, one might even say over-simplifications, but it is necessary to be somewhat rudimentary in order that we never lose sight of the basic principles and concepts on which that system is built.

How the Crown organizes itself and how Parliament, in effect, supervises that organization differs considerably as between Great Britain and Canada. We, of course, are rooted in British traditions and have the great advantage of being able to look from time to time at parliamentary institutions in Britain and elsewhere in the world for refreshment, stimulation and occasional correction. None the less, it is hardly surprising that having had our own independent legislatures for over 200 years and this Parliament for over 100 years, we now have many independent ways of our own, customs and conventions that are clearly uniquely Canadian.

Of Great Britain's ministerial system one can really say that the Crown may organize itself as it sees fit.

Ministerial offices and departments are established entirely by prerogative acts. Parliament's supervision is exercised partly by stipulations in terms of the numbers of Members of Parliament that may comprise the ministry at any one time, partly in terms of the allocation of supply and partly by subjecting transfers to new ministers to the liability of potential annulment by negative resolution within a given number of days following tabling of the relevant Order in Council. Within this framework, I think it can safely be said that the government of the day may advise Her Majesty, and Her Majesty may deem it appropriate, to organize her ministry and her public service in any way she wishes.

We in Canada have a somewhat more restrictive tradition. Fundamentally, of course, the prerogative vested in the Crown to establish ministerial offices and fill them remains as untarnished here as it ever was. The office of the President of the Privy Council, and that of the first minister, are examples of offices created under the prerogative. Following Confederation, there was for a time the office of the Secretary of State for the Provinces and there is no reason that this could not be reinstituted or other secretaries of state established. Likewise, a minister for this and for that. But notwithstanding all of this, as a general rule, the Crown in Canada has accepted limitations on its power to organize itself for affairs of state which are not known in Great Britain. Largely as a result of our colonial past, ministries and departments of government have been established by legislation as well as being subject to constant reconfirmation by votes of supply. Even if the Crown established a host of new ministers and departments under the prerogative, it could not pay one of them a penny without the authority of this House and of Parliament. When the Public Service in its broadest sense included no more than a few thousand officials and the activities of the public sector trespassed no more than a few percentage points on the gross national product, when at the turn of the century life was somewhat slower and ministers, officials and members could take their tea on Thursday afternoons in front of fireplaces in their offices, one can understand that delays in organization were almost as inconsequential as the endless metaphysical debates about the jurisdictions of ministers. But the circumstances of today do not admit of delays and jurisdictional uncertainties of the dimensions of the past and so, clearly, we must regard as wholly unsatisfactory a system that admits of such delays and uncertainties. Today, jurisdictions must be clear, and actions must be swift. Above all, a government which disposes of an annual budget of one-sixth of the gross national product, and which employs hundreds of thousands of people must be subject to clear direction and close supervision by the elected representatives of the people and, from amongst them, the Ministers of the Crown.

I have mentioned that in days of yore it was the general rule that governments gave effect to their organizational proposals one by one as urgent demands upon the time of the House permitted. Under these circumstances, the implementation of government initiatives, however vital, and even the simple acts of housekeeping—routine but of enormous consequences in terms of dollar amounts—had to be postponed and sometimes even put over from year to year.

• (4:30 p.m.)

It was in the face of this relentless and often inevitable tendency that governments began some years ago to make greater and greater use of the Public Service Rearrangement and Transfer of Duties Act, and in this connection, of ministers without portfolio. Duties, powers and functions have in the past been transferred in great numbers to and from ministers without portfolio and efforts have been been made with more or less success to transfer to ministers without portfolio the control and supervision of portions, if not of the public service properly speaking, at least of employees of the Crown corporation and agencies. We thus arrived at a situation where ministers without portfolio in fact had portfolios. A complicated situation became further complicated, and jurisdictional lines already confused became further confused.

This created a problem for Parliament, and for this House in particular, because the accountability of the government to Parliament was much more confused, diluted and imprecise than it should have been. In other words, Parliament was the weaker as the result of a ministerial system which had failed to keep pace with the demands placed upon it.

Partly to alleviate this situation, the previous prime minister introduced the technique of the government organization bill and that has, to an extent, ameliorated the situation. It has not, however, solved the problem of delay or put in place a ministerial structure sufficiently varied and flexible to cope with contemporary demands of complex issues and big government. Nor has it solved the problem of a prime minister in allocating manageable responsibilities to ministers and defining them with precision. It is to resolve these problems that we propose what in the current government organization bill is identified as the ministries and ministers of state act.

This legislation would identify two kinds of ministers in addition to the departmental ministers and ministers without portfolio with which we are all familiar. I say "identify" rather than "establish" because we already have the kind of ministers described in the bill and all we are now doing is putting names to what already largely exists. The ministerial structure described in the bill flows from an analysis of what governments have been doing under the Public Service Rearrangement and Transfer of Duties Act and under the prerogative in relation to ministers without portfolio. This analysis leads to the identification first of the departmental minister, such as the secretary of state or the minister of national defence, who is the subject of departmental legislation. At the other extreme, there is the minister without portfolio whose title suggests a freedom from particular administrative responsibilities to take up a roving commission that would give his colleagues in cabinet a source of advice and judgment.

In between the departmental minister and the minister without portfolio, circumstances have clearly demonstrated a requirement for a kind of minister for a designated

purpose who, while clothed with the rank and status of a departmental minister and supported by a staff of public servants, would be charged with a particular mission, usually of a policy nature, generally of short, or at least not necessarily of permanent, duration.

Finally, there is the fourth kind of minister: the minister who is assigned primarily to assist another minister and who would be called a minister of state. A minister of state might assist a minister with particularly heavy responsibilities or with a specific responsibility requiring special attention. Ministers of state would be able to receive powers, duties and functions from other ministers, and would be responsible to Parliament directly in accounting for the manner in which they exercised them.

The possibility of transferring powers, duties and functions to a minister without portfolio has not been precluded. The clear intention is, however, that this position would be used for the purposes its title suggests, and that in the future a prime minister would no longer feel compelled to assign to ministers without portfolio responsibilities which would be much more appropriate to other categories of ministers.

I may endeavour to summarize. With the enactment of the ministries and ministers of state act, there would be four categories of ministers of the Crown. Ministers in all four categories would be appointed on the advice of the prime minister by commission under the Great Seal of Canada, to serve at pleasure, and be responsible to Parliament as members of the government of the day and for any responsibility which might be assigned to them by law or otherwise.

Departmental ministers would occupy an office created by statute to which are attached powers, duties and functions defined by statute; have supervision and control over a portion of the public service known as a department; be limited in number by the number of statutory ministerial offices; have salaries provided for by title in the Salaries Act; and seek appropriations on their own from Parliament to cover the cost of the activities for which they are responsible.

Ministers of state for designated purposes would occupy an office created by proclamation on the advice of the prime minister; be limited in number by statute to five; be charged with responsibilities for developing new and comprehensive policies in areas where the development of such policies is of particular urgency and importance; have a mandate effectively determined by the prime minister which would be of such duration as to enable them to come to grips with the policy problems assigned to them; receive powers, duties and functions and exercise supervision and control of relevant elements of the public service; and seek parliamentary appropriations independently of any minister to cover the cost of their staff and operations. They would have a "secretary" who would have the status and authority of a deputy head for the purpose of the Financial Administration Act and the Public Service Employment Act, and would preside over ministries which would eventually either become parts of new or existing departments or whose existence would be terminated.

[Mr. Drury.]

Ministers of state would be appointed to assist a departmental minister in the discharge of his responsibilities; receive powers, duties and functions; be limited in number by the appropriations that Parliament is willing to pass to cover their salaries and expenses; and receive the same salary as a minister without portfolio provided for them in the estimates of the minister with whom they were to be associated. Finally, ministers without portfolio would have responsibilities assigned by the prime minister, and would not normally exercise statutory powers, duties and functions.

We do not believe, of course, that the provisions of the ministries and ministers of state act will provide the best of all possible worlds, but we do believe that they constitute a solid and most important advance. In designing them, we have tried to adhere to the genius of our system of government. We have not thought it wise to try to recast completely the ministerial system. Neither have we felt it wise to open up the increasingly obvious distinction among departmental ministers, that is, the distinction between those concerned primarily with operations, those concerned primarily with policy, and those concerned primarily with control. These are all products of history as well as of reason.

Decision making is, after all, a political as well as an administrative process. Whereas logic and measurement can certainly be promoted to high place in considering the administrative process, one should think twice before putting them in a position of dominance over the hundreds of years of history from which we have distilled the experience with human nature which is, in so many ways, the essence of our political process.

It will be said by some that the ministries and ministers of state act will significantly enlarge the administration. Particularly will this be the complaint when the House deals with part V of the government organization bill, which is an amendment to the Parliamentary Secretaries Act. We would not at all accept this allegation, Mr. Speaker. After the government organization bill has passed, statutory offices would exist for 26 departmental ministers in addition to the Prime Minister and the President of the Privy Council. There would be provision for the appointment of not more than five Ministers of State for designated purposes, and subject to the requirements of the Crown and Parliament's agreement to appropriate the necessary moneys, it would be possible to name a number of Ministers of State and Ministers without Portfolio.

• (4:40 p.m.)

The government does not envisage the appointment of all five of the Ministries of State, but it will ensure that the ministers, of all categories, and the Parliamentary Secretaries who may be appointed will be in a much better position than now to advise, develop and direct policy, and to control a government employment of half a million public servants.

In the last election there was a prevalent demand for greater sensitivity in government, to be accompanied at the same time by more government activity and less

government intrusion or, at least, less "big" government. As I implied earlier, Mr. Speaker, the best answer to this apparent riddle lies in the strengthening of parliamentary institutions and in this context, among other things, in an increase in the number of Members of Parliament acting within the public service to develop policy, and generally to provide a nexus between the people and the public service.

The primary concern should not be that cabinets are too large but rather that too few ministers are charged with so many urgent matters that they have to abdicate the task of policy development, or at least its control, entirely to experts who do not have to be directly responsive to changing popular feelings. It is well to remember that however big a cabinet, all ministers are accountable to Parliament individually. Distribute all the burdens of government across a smaller ministry, and you generalize the grasp that each minister has over his larger area of responsibility—

Mr. Stanfield: Did you say grasp or graft?

Mr. Drury: Grasp.

Mr. Stanfield: I wasn't sure.

Mr. Drury: —and necessarily make more nebulous the substance of his reporting to the House.

One human being endowed with no more than 24 hours in a day can comprehend only so much, and the more you put on his plate the more general his comprehension, and so his accountability of it is likely to be. Thus, it is not a bad thing if we move towards somewhat larger ministries since Parliament benefits from the greater precision that enlargement allows. Particularly is this so in the type of situation that in the past has had to be dealt with by transfers to Departmental Ministers or Ministers without Portfolio, but which in the future will be open to the use of Ministers of State.

Previously, and as things now stand, the undertaking of a special mission of policy development was added to all the other departmental duties a minister might have. Under the Ministries and Ministers of State Act, it will not be necessary to detract from one area of public concern in order to come to grips with another, and hon. members will know the special missions above and beyond a minister's departmental responsibilities that the government has identified, and they will have directly accountable to them the ministers who have been charged with these missions.

It is also in line with the concept of enlarging the interface between those who administer public affairs and Parliament, and particularly this House, that the government proposes Part V of the Government Organization Bill, the amendment of the Parliamentary Secretaries Act. There is clearly a need to provide ministers with assistants in discharging their manifold responsibilities, and nowhere more so than in relation to Parliament. This has been the purpose of our system of Parliamentary Secretaries and it has proven to be beneficial not only to ministers but to hon. members in providing them with a continuously available means of access to departmental information and services. The existing provisions of the Parliamentary Secretaries Act are that there cannot be more than 16 parliamentary secretaries appointed to assist ministers at any one time.

It has been many years, however, since the number of ministers with departmental responsibilities has been anywhere near 16, and at the same time the need for parliamentary assistants has enormously increased as a direct consequence of the development of the committee system and other government efforts to enhance the role aud authority of Members of Parliament. The Government Organization Bill proposes that there could be as many Parliamentary Secretaries as there are ministers with departmental responsibilities or with major portfolios.

Section 4 of the Salaries Act lists the offices of these ministers, and so the government organization bill provides that the number of Parliamentary Secretaries should not at any one time exceed the number of ministers who hold offices for which salaries are provided in section 4 of the Salaries Act.

[*Translation*]

Mr. Speaker, I should now like to turn to Part VI, concerning amendments to the Post Office Act.

In addition to some of the major changes that I have just described, Mr. Speaker, the reform and reorganization of the machinery of government often calls for a certain amount of fine tuning in the light of experience. The House will recall the announcement of the appointment of the hon. member for Longueuil (Mr. Côté) as Minister without Portfolio to assist the Minister of Communications (Mr. Kierans) with his responsibilities for postal matters. The simultaneous and urgent requirement both for reform of the Post Office as well as for the development of major new policies in telecommunications, prompted this move.

The House will also recall that when the Department of Communications was established by the Organization Act in 1969, this act included an amendment to the Post Office Act providing that "the Minister of Communications is the Postmaster General". It continues to be the government's view that mail is an important mode of communication and that postal affairs must always be closely coordinated with other modes of communication. Given the importance and urgency of formulating and implementing new policies for improved telecommunications and improved postal service for all Canadians, it has become imperative that the responsibilities for communications and postal affairs should be evenly shared by two ministers. Hon. members are aware, Mr. Speaker, of the studies being made at this time on the structure of postal and telecommunication services.

Accordingly, Part VI of the Government Organization Bill includes a section to amend the Post Office Act, to provide that the Minister of Communications would be the Postmaster General unless a Member of the Queen's Privy Council for Canada were appointed to the office of

Postmaster General by appointment by Commission under the Great Seal of Canada.

So far, Mr. Speaker, I have talked almost exclusively about structures and institutions and now I would like to deal with the question of personnel which is the subject of Part VII.

At present, it is impossible for a public servant to retire before age 60 without losing a substantial portion of the pension that he could receive at that age. This has created particular hardships for certain categories of employees such as air traffic controllers, aircraft pilots, certain National Film Board technicians and penitentiary guards, where the requirements of their work are such that, normally, continued employment after the age of 60 may be beyond an individual's capacity or may be held to be too exacting at that age. In other cases, public servants who might wish to take up a second career in their later years may hesitate doing so because of the severe reduction in their pension if they left the public service before age 60.

In a sense, these people are locked in by our present superannuation arrangements which do not provide for retirement before age 60, except on health grounds, without accepting an actuarial reduction in pension. Since many of these public servants have talents and experience of rather unique character which might well be of value to other sectors of society, the government believes it to be in the public interest to make possible a greater degree of mobility between the public and private sectors than has existed in the past, by lowering the age at which voluntary retirement can be sought, without loss of pension.

• (4:50 p.m.)

Not only will improved and more flexible early retirement provisions work to the benefit of individual employees, but they should aslo provide a firmer basis for improving the effectiveness and efficiency of the public service.

There may well be a number of specific cases where individuals, after many years of useful public service, are no longer capable of meeting the changing requirements of their jobs. Situations like this can arise from a variety of circumstances including the unusually high pressures and tensions of executive employment as well as the failure do adapt to change. The existing retirement provisions do not enable the government to deal with cases like these in anything but very harsh terms, if at all, but the new provisions will enable the government to release such individuals from the public service without undue hardship to the persons involved. These new provisions should also enable the government to exact the high standards of performance required in a dynamic public service.

Since it is particularly important at the apex of responsibility in the public service that the public is served by the best people available at the height of their career, special provisions should be provided for those who occupy the positions of deputy minister or its equivalent.

[Mr. Drury.]

In the public sector, provisions for early retirement are also becoming more common. The Civil Service Superannuation Plan of one province, for example, has just been amended to provide a full pension for public servants at age 55 with 32 years of service. In the United States, federal servants may retire on a full annuity at age 55 once they have 30 years of service to their credit.

The proposals in the Government Organization Bill are in line with these provisions.

Mr. Speaker, there remain Parts VIII and IX of the Bill, but since these do not relate to the principle of the Bill but to matters which are consequential upon earlier parts which I have discussed, or which are transitional, I do not intend to deal with them at this stage. The schedules to the Bill list the acts for which the Minister of the Environment would be responsible and provide for further consequential amendments and so here again, I will not comment on them.

In conclusion, Mr. Speaker, I should like to review the main elements of the bill. The enactment of the Department of the Environment Act will greatly facilitate the mounting of a concerted attack by the federal government of the problems of pollution.

The enactment of the Ministries and Ministers of State Act and the amendment to the Parliamentary Secretaries Act, will enable the administration and the executive to come to grips much more effectively than in the past with the myriad responsibilities facing the government of Canada now, and with many other responsibilities that we know will fall to the government in the future. The enactment of this piece of legislation will also enhance and make clear the accountability of the Executive to Parliament—a particularly important provision in a period where the responsibilities that fall to the Executive appear to grow without an end in sight.

Finally, the amendments to the Superannuation Act will provide a new basis for the development of improved personnel policies which this government has regarded as a key to better management of public affairs.

Mr. Speaker, I ask for the cooperation of hon. Members in giving this bill careful consideration and speedy passage.

[*English*]

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, first, on behalf of hon. members, may I thank the minister for dealing with points of principle and leaving some of the details until later. I, myself, will concentrate on two or three subjects, instead of trying to cover the whole waterfront. It is unlikely that I shall spend much time in dealing with the fact that astronomic observatories are to be taken from the Department of Energy, Mines and Resources and put under the National Research Council. I think the appropriate place for the observatories would be under the authority of the Minister of Finance (Mr. Benson) so that the government could keep in some kind of touch with rising unemployment.

Mr. Gilbert: Very good.

Mr. Knowles (Winnipeg North Centre): Five o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—External Affairs—Sale of arms by France to South Africa—Canadian position; the hon. member for Champlain (Mr. Matte)—Indian Affairs—National Parks—Quebec—Development of park in St. Maurice Valley—Construction of ski centre in Saint Gérard; the hon. member for Mackenzie (Mr. Korchinski)—Indian Affairs—Special funds to assist Indians and Métis.

It being five o'clock, the House will now proceed to the consideration of private members business as listed on today's order paper, namely, public bills.

PRIVATE MEMBERS' PUBLIC BILLS

BRITISH NORTH AMERICA ACTS

AMENDMENT TO PERMIT FINANCING OF PRIVATE MEMBERS PUBLIC BILLS

On the order: Private Members' Public Bills:

October 20, 1970—Second reading and reference to the Standing Committee on Justice and Legal Affairs of Bill C-9, An Act to amend the British North America Acts, 1867 to 1965 (Financing of private members' public bills).—*Mr. Baldwin.*

Hon. J. A. MacLean (Malpeque): Mr. Speaker, in view of the absence of the sponsor of the bill, who is away on parliamentary business, perhaps there could be agreement to allowing this item to stand without losing its position on the order paper.

Mr. Deputy Speaker: Is that agreed? Shall the item referred to by the hon. member stand and retain its position on the order paper?

Some hon. Members: Agreed.

* * *

CRIMINAL CODE

AMENDMENT TO ABOLISH CORPORAL PUNISHMENT

Mr. David MacDonald (Egmont) moved that Bill C-16, to amend the Criminal Code (Abolition of Corporal Punishment) be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, I do not intend to speak at length on this bill. It is my great hope that, in a few minutes, hon. members on both sides of the House will be disposed to refer this matter to the Standing Committee on Justice and Legal Affairs, where it can be dealt with in detail and from which it can be returned to the House for third reading. I think I should indicate clearly at the outset that the subject is corporal punishment. I find that

when this term is used people often think in terms of capital punishment and are somewhat confused about the subject generally, not because they do not understand what is meant when one talks about whipping and flogging but because the more polite term, corporal punishment, is not as familiar to them.

• (5:00 p.m.)

It is probably true to say that corporal punishment has not been the experience of most Members of this House, at least not in their adult years, and presumably it is not an experience which most of us will ever be obliged to undergo. Yet, it is an experience to which certain of our fellow citizens have been subjected, administered as it is under federal statute and in federal institutions. It should, therefore, be very much our concern to take note of the form of state-instituted violence as it is still practiced in this country, particularly since so many hon. members have put on record their strong opposition to the use of violence to resolve problem situations.

In these circumstances it is disturbing to consider that violence is still being exercised in this country—not often, but on occasion, as a certain form of punishment in connection with what is termed justice. To assist in the realization of what this means I should like to quote one description, which was given a few years ago, of the experience of one man who underwent corporal punishment in one of our institutions. This is from an article which was printed some time ago in the Toronto *Star*, documenting on a question and answer basis the experience of this one individual. The extract reads as follows:

Q. Could you tell us about the strapping and what happened at the time?

A. As to the machine, you mean?

Q. Yes.

A. Well, at the time you go before you get strapped you go up before superintendent there.

Q. Well, yes?

A. And he sentences you to be strapped and you go down to the first floor and they take you down to the machine. When you get there you are examined by a doctor for heart to see if you are physically fit to stand the strapping. Then you are taken and strapped with the machine—what they call the machine. Your hands are handcuffed and your legs are cuffed and also your ankles are cuffed. There is a kidney belt which goes around your kidneys and one around your thighs and there is very little movement you can make while in the machine. Then they blindfold you and pull your shirt over your head and you don't know when you are going to get strapped. Everyone scrapes their feet on the sand floor and you can't hear it coming—it's impossible. The way I understand it, they wait until you relax before they give it to you.

Q. Are you standing erect in the machine?

A. Yes, you are standing on your feet. You are bent over in a leaning position over a crossbar that goes across your middle. While the actual strapping is being administered, there is a doctor there that takes your pulse all the time you are in the machine and afterwards all the officers leave the room and you are taken out of the machine and the blindfold is taken off. If there is further punishment after that like the hole, you are taken directly from the strapping room to the hole.

This description of what might be called a civilized approach to violence surely seems offensive and shocking to the general public as well as to members of this

House. In this enlightened era of the 'seventies, these details must come as a shock to all those who believe we have travelled some distance in our understanding of how to deal with those who commit criminal offences. On the other hand, we may feel that the kind of program which has been described is only of limited interest. Yet more than one psychologist and observer of the human scene has suggested that the exercise of corporal punishment, as instituted under statutory authority in this country, people get a vicarious, masochistic pleasure from knowing that some person is being dealt with in this barbaric fashion. It may be true, and it is certainly true according to statistics, that there are not many people in our country today who will have to face a sentence of corporal punishment in the year 1971. However, if even one person must undergo this kind of barbaric sentence without any objection from any of us, what does it say about our society generally?

I am impressed by the fact that in 1956 a committee of the House of Commons met to consider questions related to capital punishment, lotteries and corporal punishment, and made certain far-reaching recommendations. It is of interest that since that day Parliament has substantially changed the law with respect to both capital punishment and lotteries, but it has yet to act on the recommendations of that committee with regard to corporal punishment. Let me read just one of the recommendations which was contained in the report of that committee.

> The Committee kept two considerations in mind throughout its inquiry into corporal punishment as a part of the sentence of the court. The first was whether it deters those subjected to it from further crime and, secondly, whether it deters the public generally to a greater extent than other methods of punishment. The evidence did not justify the view that it will exercise any special reformative or deterrent influence on individuals upon whom it is administered and, on the whole, it appears to have the contrary effect. The Committee concluded that the existence of corporal punishment affords no unique deterrence to crime. Accordingly, the Committee recommends that corporal punishment be abolished for any of the offences for which it is presently prescribed in the Criminal Code.

It seems passing strange that we should be able to act in connection with many other matters during the past 15 years and yet have failed to take the necessary action to remove from the statutes of this country authority for the administration of corporal punishment. It is to be noted that in the United Kingdom, which is often held up as an example to this House, corporal punishment was abolished as far back as 1948, nearly 25 years ago. Since that time, studies have been carried out to establish whether there is any relationship between the non-use of corporal punishment and the records of crime, and it has been conclusively found that there is no relationship. Indeed, it might well be that the abolition of corporal punishment has had a positive effect on the level of violent crime in Britain.

It seems to me the time is long past when Parliament should act on this subject. As long ago as March 18, 1968, I introduced a bill to this end and argued that it should be acted upon either as separate legislation or along with appropriate amendments to the Criminal Code. Unfortunately, the then minister of justice, now the Prime Minister (Mr. Trudeau) and his successor have not yet taken action to end a method of punishment which is retrograde and out of harmony with the changes which have been made in our Criminal Code.

Why have we not taken steps to abolish corporal punishment? Presumably one must take account of the argument which is still being used by those who contend that the institutional use of whipping or flogging has a positive value. In the first instance, there are many people who would say that there is a definite deterrent, that the very fact it is known that for specific crimes a person will suffer the sentence of being whipped or flogged will in some way deter him from the acts that he is about to enter upon.

• (5:10 p.m.)

The argument of deterrence is a well worn one and is often used, but it is not one that has ever been, in my experience, reasoned or thought out at length. It presumes, in the first instance, the kind of rational preconsideration of some violent or anti-social act. It presumes that the person who is going to commit some particularly offensive crime—and the provisions of the Criminal Code with respect to corporal punishment refer, in the main, to crimes of a moral nature respecting the violation of a child or some form of sexual offence—would take into account during the time of determination to commit this kind of offence that indeed he might suffer corporal punishment as a penalty. I suggest this proposition makes some very great and really hard to accept assumptions. I think that if one were able to penetrate the minds—the sick minds, for the most part—of those who contemplate such events, we would find that anything that might act as a deterrent would primarily be related to the fear of being caught.

In this regard let me refer to the report of a review of corporal punishment in Great Britain published by the Advisory Council on the Treatment of Offenders and presented by the British Home Secretary to parliament in 1960. I quote from the report:

> It was clearly concluded that corporal punishment was not an especially effective deterrent immediately before its abolition, and they—

That is, the statistics.

> —show that its abolition did not result in an increase in the offences for which it was previously imposed.

Having had some 12 years experience with the non-use and non-application of corporal punishment, it is their conclusion that the deterrent value of such punishment is impossible to prove. I think the fact that the courts of this country have generally dispensed with the use of corporal punishment is the result of the experience of the judiciary that it no longer makes any sense whatever in the name of justice to sentence offenders to this form of punishment.

Others would argue that there is an aspect to this punishment that allows for the reform of the individual and that perhaps the particularly difficult criminal, the offender who has not been handled successfully in any

other way, can best be dealt with by the exercise of this form of punishment. But what have the studies shown? They have shown very convincingly that healthy people, people who have a positive and healthy outlook on life, when sentenced to corporal punishment suffer the least in terms of long term effects. Yet the people who are sick, the people who commit the kind of offences for which corporal punishment is prescribed as a sentence, when the sentence is passed experience not only a prolongation of their sickness, but their sickness is made a good deal worse. In effect, the rehabilitation program is severely retarded, if not totally set back altogether. There is therefore no convincing argument that the use of corporal punishment for the reform of the offender is effective.

There is a final element to this which I think must be very carefully considered. It is the basic element of which, all too often, we lose sight. I refer to whether or not in having corporal punishment available for use we are protecting society. I wonder whether we have really looked at this question and closely examined those people who have been unfortunate enough to have experienced a sentence of corporal punishment.

Those who have interviewed a number of people who have indeed been whipped or flogged have found that in almost every case the hostility and hatred that this punishment has engendered in these individuals is most difficult to relieve. In many instances, when these individuals go back into society they carry with them into public life a most deep-set and dangerous hostility to the general citizenry. If by the execution of corporal punishment in our federal institutions this is indeed the result, then we have not only not protected society but we may have even endangered it the more. If we have indeed sent people back to society from our federal institutions seething with hatred and hostility as a result of these acts, then we have only ourselves to blame.

I think we must also state that generally, in cases where the state sanctions this form of institutional violence, it must make it more difficult to object, as surely it must object, to the casual and instant violence that bursts out in society from time to time. How credible is it for any government or department of government to be totally opposed to the kind of violent acts that all too frequently occur in our society when in fact that same government and department have reserved unto themselves a form of violence that no one of us can readily accept?

Some hon. members may wonder why I choose to raise this matter so strenuously in this House. I do so because it is my impression that the only place where corporal punishment continues to be sanctioned on a regular basis is in federal institutions. I have attempted in a preliminary way to find out to what degree corporal punishment is used in provincial institutions, and I have found that it is not used at all, to my knowledge, in this province. Indeed, I am gathering the impression that corporal punishment is seldom, if ever, used provincially. But what is being made obvious to me is that in federal statutes and in federal institutions the use of corporal punishment is still provided for and permitted. Surely, this is the place where we should give leadership. Surely, this is the place where we simply should not be following the pack. One can only hope that in this particular instance we might follow the action the government of Great Britain took in 1948, or the action taken by other provinces since then, even the action of the House of Commons committee in 1956.

At the very least, this government should make sure that before this Parliament reaches the stage of dissolution it will have taken some action to abolish the use of corporal punishment in federal institutions. Not only do I think that this is the government's duty; it is something that must be done. I urge all members of this House, having expressed their views, perhaps somewhat briefly during the next few minutes, to allow this bill to go to the Standing Committee on Justice and Legal Affairs so that the committee can effectively implement the action recommended.

Mr. Hogarth: Would the hon. member permit a question before he resumes his seat?

Mr. MacDonald (Egmont): Yes, Mr. Speaker.

Mr. Hogarth: The hon. member is obviously very knowledgeable on this subject, and has gone into it very ably and in some detail. I support the bill entirely, but the one thing I cannot understand is why he merely seeks to abolish corporal punishment as it is provided for in the Criminal Code but does not prohibit its use under the Penitentiaries Act. It is my understanding that the prison officials in this country are hold-outs against the abolition of corporal punishment for the sole reason that they find it very effective within the institutions. I do not know on how many occasions it is used, but I think that is one point of view. Being knowledgeable of this situation, why did the hon. member not go further? Is he prepared to retain that aspect of corporal punishment?

Mr. MacDonald (Egmont): Mr. Speaker, I am very glad to have that question and to have any assistance I can get in drafting this bill. I think this is a useful suggestion that could well be implemented by way of an amendment at the committee stage. Certainly, my aim was to be consistent. Since the principal use of corporal punishment, as the hon. member has pointed out to me, is in federal institutions and penitentiaries, I wanted to make sure that that point was included in the amendment to any statute. I would support the suggestion that has just been made by the hon. member for New Westminster.

• (5:20 p.m.)

[*Translation*]

Mr. Gilles Marceau (Lapointe): Mr. Speaker, it is assuredly a most happy occasion to discuss in this House a bill from an opposition member and dealing with a truly important subject.

It is true that corporal punishment exists only in relatively rare cases which amount to nine sections of the Criminal Code, but it involves a far more important

principle and this is what I would especially like to discuss during my allotted time.

May I say, at the outset, that I will refrain as much as possible from citing an exaggerated number of statistics because I think that their usefulness is considerably restricted. They can indicate some trends, but I believe that great caution must be exercised in their use, for hon. members know pertinently that people with different opinions can use statistics to make their point.

Mr. Speaker, I think the Canadian Criminal Code should be amended so as to abolish corporal punishment, as it is indicated in the bill proposed by my hon. friend.

I am happy to outline here the main facts and considerations that lead me to believe that abolition of corporal punishment would be in the best interest of Canada. I am convinced that before the prescriptions of criminal law can be determined in detail, the purpose of the legislation must be clearly defined in the light of the philosophy governing the treatment of delinquents.

I also think that in the years that followed the original drafting of the Canadian Criminal Code, the changes that occurred in our social morals and in the judgment of behaviour were significant enough to require a new definition of the object of our justice system.

In general, countries of the civilized world recognize that corporal punishment of delinquents is in itself indefensible. As an indication of the revengeful feelings of society, it must face individualized justice systems, aimed at the efficient protection of society through methods of delinquents rehabilitation.

It must be pointed out, Mr. Speaker, that such a change in attitude did not stem from a feeling of disgust for the psychic pressures that may have been inflicted upon the delinquent as a penalty. Modern thinking in that field has evolved, especially as a result of the findings of society with regard to the legal penal system, and a better understanding of the causes of human behaviour, and more particularly abnormal behaviour. This enlarged field of knowledge, mostly the result of research in social science, has been useful in the study and therapeutics of mental illness throughout the civilized world. More recently, a good part of it has been used to some extent in the treatment of delinquents.

We cannot ignore the verdict of history which has repeatedly led to the conclusion that crime seems to have developed to a larger extent when and where punishment was most severe.

The high rate of relapse in our country and the increase in cases of degenerate conduct among discharged delinquents have led responsible persons to conclude that our jails are schools of crime. Since a generation, the study of social sciences and research in that area have succeeded in giving to mankind a pertinent knowledge of the cause and meaning of human behaviour from which it is possible to draw conclusions on the propriety of a social or antisocial behaviour.

Although there are still in that field many unknown factors which are subjected to experiments and studies, there is a sufficient number of data, the accuracy of which has been shown and which remains pertinent in any consideration of the delinquent, so that criminal law can take them into account.

The delinquent is not solely responsible for his criminal conduct. I recognize that all human behaviour stems from motives which urge the individual to try and satisfy some often unconscious needs. It is recognized that this concept is not as simple as were the more ancient and naïve interpretations of behaviour, which admitted the innate presence of a demon that could only be expelled through physical mutilation.

Having admitted that behaviour is influenced by the interaction of inherent individual characteristics and by the individual's experience in his surrounding and in the prevailing cultural environment, it was deduced that the possibility of changing the behaviour may exist, through a modification of the conditions which determine it.

Since the system of justice administration aims at protecting the collectivity against violation of its laws, and that vindictive punishment does not seem to have afforded such an effective protection to society, and also as the possibility of modifying the delinquent's attitude and behaviour so that his crimes will end or become less frequent, it seems to me that criminal law should not practise social vengeance but improve the protection of society in submitting the delinquent to treatments which, according to medical science, are most likely to ensure his rehabilitation.

It is my view, Mr. Speaker, that the abolition of corporal punishment would eliminate from the Canadian judiciary system certain provisions which, in spite of the intentions of the court, are nothing else but means of revenge which do not contribute in any way to the rehabilitation of the delinquent.

Mr. Speaker, I had the opportunity, as soon as I heard that I would have to speak on the legislative proposal submitted by my hon. friend, of doing a bit of research on statute law, and I have discovered principles that I consider fundamental and which I shall endeavour to define and to summarize briefly.

[*English*]

I am respectfully of opinion that there are three principles of criminal justice requiring earnest consideration in the determination of punishment, *viz.*, deterrence, reformation and retribution.

• (5:30 p.m.)

The governing principle of deterrence is, within reason and common sense, that the emotion of fear should be brought into play so that the offender may be made afraid to offend again and also so that others who may have contemplated offending will be restrained by the same controlling emotion. Society must be reasonably assured that the punishment meted out to one will not actually encourage others, and when some form of crime has become widespread the element of deterrence must look more to the restraining of others than to the actual offender before the Court.

Reformation is the most hopeful element in the question of punishment in most cases, and it is in that direction that the efforts of those concerned with criminal justice will be more and more directed. But reformation, too, has its distinct limitations. It has been found in England that many who have passed

through all the stages of binding over to keep the peace, probation, approved school, and prison, have yet become habitual criminals. They appear to be beyond all human reformative agencies.

The underlying and governing idea in the desire for retribution is in no way an eye for an eye or a tooth for a tooth, but rather that the community is anxious to express it repudiation of the crime committed and to establish and assert the welfare of the community against the evil in its midst.

[*Translation*]

Mr. Speaker, I would like to give a brief summary of my views on this matter. I think the time has come for our modern society to have enough confidence in the individual who, in spite of his errors, has a right to rehabilitation. In my view, those who, at the same time that they advocate individual liberty and civil rights, speak out for abolition of corporal punishment, deserve our support.

For my part, I must say I cannot deal with the matter without a certain degree of emotion as for many years I was a defense attorney. I must confess, Mr. Speaker, that I am showing partisanship when enthusiastically advocating the abolition of corporal punishment except in the case of some extremely serious offenses, when it has been established that corporal punishment is the only possible solution.

I remember, Mr. Speaker, that in my youth, when my father deemed the usual normal means to be inadequate, *manu militari,* or a spanking, as it is known to us, often solved the problem. Evidently, that is perhaps why I went to the bad and am now a member of the House of Commons. However, I must say that in such pleasant company, both that of government members and that of opposition members, I have no complaints.

[*English*]

Mr. John Gilbert (Broadview): Mr. Speaker, first I should like to thank the hon. member for Egmont (Mr. MacDonald) for his concern and his progressive thinking with regard to this important matter. When I heard him describe the vivid and horrible detail of what happens to a young man when the broad strap is applied to him it made me feel ashamed to be a Canadian when this law is on the statute books. The hon. member could have gone into more detail with regard to the effect of the cat-o'-nine-tails when it is inflicted on a young man. It takes a person days and sometimes weeks to recover from the welts on his back. He could have told us that the strap is perforated so that the soft flesh on a man's buttocks is drawn up and torn with each stroke. This is the type of law we have.

The hon. member for Egmont suggests that this bill be referred to the Standing Committee on Justice and Legal Affairs. I am inclined to disagree with him because we have had studies on this matter and have gone into the matter in detail. When I think of some of the studies there have been on this matter, it would seem that it is now time for action. Back in November of 1968 when the Commissioner of Penitentiaries was before the Committee on Justice and Legal Affairs I asked him certain questions. These questions are recorded in the report of the Ouimet committee which came out in March 1969. In 1968, as recorded in the Ouimet committee's report, these are the questions I asked and the replies by the Commissioner of Penitentiaries at that time:

Mr. Gilbert: Mr. Commissioner, I would like to direct other questions to you with regard to corporal punishment—

Mr. MacLeod: —As far as institutional corporal punishment is concerned, it cannot now be imposed in an institution without the specific approval of the Commissioner of Penitentiaries. Of course, we have very elaborate regulations governing the manner in which it is to be imposed. No more than ten officers can be present. The prison psychiatrist or medical doctor must be there; the warden or deputy warden must be there. The punishment can be stopped at any time by the doctor or the psychiatrist or the warden or deputy warden. Of course, the only problem with making rules about corporal punishment is that the more humane you try to make them, the less humane the operation looks in the end result. My own feeling is that the tendency is for it to go into disuse as a possible prison punishment and, of course, when that happens then presumably the regulations in the act will reflect the practice.

Mr. Gilbert: In other words, you would not have any objection if I brought forth an amendment to repeal that particular section?

Mr. MacLeod: I would not, no. As a judicial punishment, it is remarkable that it is reserved under the Criminal Code for offences that involve the use of violence or the threat of violence by the offender. Our people seem to think that it may have a useful short-term benefit if it is imposed on an offender, but ultimately society reaps more violence from him than it inflicted upon him.

The Ouimet committee states:

The committee agrees with this view. We are of the opinion that corporal punishment is contrary to modern prison philosophy and practice and we recommend its abolition.

Mr. Speaker, that is in respect of corporal punishment in Canadian penitentiaries as a disciplinary measure. It is pointed out in the Ouimet report that from January to October 15, 1968, there was only one case of infliction of corporal punishment. In 1967 there were 19 cases, and in 1966 there were 32 cases. So one can see that the practice is falling into disuse. The hon. member for Egmont said he found there has been no practice of corporal punishment in provincial institutions. The Ouimet report states that Manitoba is the only province or territory which has used corporal punishment as a prison disciplinary measure in recent years.

The report also states that it still appears in prison regulations in British Columbia and Newfoundland but has not been used in those provinces for some decades. So there we have it. It is not being applied in provincial institutions and yet it is applied in federal institutions. We also have the words of the former Commissioner of Penitentiaries with regard to his proposed abolition of it.

• (5:40 p.m.)

Mr. Speaker, as a result of that interview with the commissioner I brought forth a bill which is exactly the same as the bill now before us. That bill was brought forth in December of 1968, two years ago. From that time until now there has been no action. I wonder why we have had no results. The Minister of Justice (Mr. Turner) has done very little with regard to this important matter other than bring forth the omnibus bill on the Criminal

Code and, last week, the bail bill. He appears to be tidbitting with regard to essential reforms of the criminal law. Surely he can bring forth a mini-bill covering such matters as the abolition of corporal punishment, the abolition of vagrancy as a charge, the right to counsel, uniformity of sentencing procedures and legislation with regard to dangerous offenders. All these matters have been dealt with in the Ouimet report and they have been dealt with in committee. It is high time we had legislation.

I hope that the Minister of Justice will not wait for the Law Reform Commission to bring forth its report concerning these matters. We have had so much study on these matters that it is time we had action. I hope the hon. member for New Westminster (Mr. Hogarth) will exert his influence on the Minister of Justice to adopt this measure to abolish corporal punishment. He is quite right that an amendment to the Penitentiary Act is required to give it more strength.

It is very easy for me to speak for the abolition of corporal punishment. Perhaps because of my background and experience in the law I have tremendous abhorrence for the infliction of corporal punishment. Just before I spoke this afternoon I was contacted by the hon. member for Pembina (Mr. Bigg) who, as a former RCMP officer, wanted to participate in the debate. He said he supported 100 per cent the bill put forth by the hon. member for Egmont. It is his experience as an RCMP officer that the infliction of any type of corporal punishment is wrong in principle and in practice. He said that the only type of punishment with which he would agree would be punishment inflicted by a mother or a father, because that has love as its basis. These are the views of the hon. member, and he made them part of his maiden speech back in 1958. Thus far there has been no action. Not only do I support the hon. member for Pembina but I support other experts, because it is very easy for us to become emotional on this subject, as I am partly because of my experience, my Irish background and my emotional nature.

I direct hon. members' attention to an expert on this subject, Mr. A. M. Kirkpatrick, executive director of the John Howard Society. In an article in the Canadian Welfare magazine of July and August, 1968, he said that the Criminal Code provides for sentencing by the court to whipping for rape and attempted rape, sexual intercourse with a female under the age of 14, indecent assault on a female, incest, indecent assault on a male, choking or using drugs on a victim who attempts to resist the commission of an offence, robbery and armed burglary. Juvenile offenders under the age of 16 years and females are not subject to corporal punishment. He goes on to say as follows:

> Most of the offences listed above are sexual offences presumably carried out during an emotionally aroused state or as a result of a disordered mind. Corporal punishment would not be considered appropriate in the treatment of mentally disturbed persons and therefore should not be considered in sex offences which are manifestly psychological in derivation.

This is the view of Mr. Kirkpatrick. He says that in respect of most offenders there is no deterrent value in whipping for these offences. With regard to the argument—this is one of the arguments put forth by the hon. member for Egmont—on the salutary effect of whipping for these offences, he says:

> The view is often expressed that corporal punishment would have a salutory effect on youths who have persisted in their criminal activities despite reasonable efforts to change their behaviour by probation or reformatory treatment. The United Kingdom departmental committee on corporal punishment in 1938 recommended abolition of caning young offenders. In 1948 this recommendation came into effect. By this time caning had in any event become obsolete as a method of treatment or punishment as it had been found to be ineffective.
>
> Corporal punishment is regarded by the recipient not as treatment but as retribution which breeds violence and perpetuates hostility. The use of corporal punishment on young offenders would reinforce the view so many of them have that they are not wanted and have no place in society and would further add to the hostile and aggressive behaviour they have developed through home and environmental experiences. Any positive efforts made toward their reform and rehabilitation would be rendered more difficult by such reinforcement of negative behaviour patterns.

Then he sets forth the concept with regard to criminal law as follows:

> The common objective of all concerned in this whole process should be the protection of society by the rehabilitation of the offender. But no one can rehabilitate another person. Opportunities and inducements may be provided but the desire to change must come from within the individual. The use of fear aroused by physical punishment is based on a concept of wilfulness and may have some immediate value while the threat is imminent but has little permanent effect in the reintegration of character which is essential for life in the free society in which the offender has already demonstrated failure to adapt.

He also points out that corporal punishment breeds a great deal of bitterness.

> In April, 1955, the counsel to the committee interviewed in the offices of the John Howard Society of Ontario a number of men who had been strapped in the institutions. A verbatim report of these interviews was made and revealed general hatred by the recipient of the officers involved in his strapping, a determination to get even when released from the institution, and an attitude of greater caution in the institution in infringing rules without getting caught. These interviews revealed that the strap had not been a deterrent as most of these men had experienced it several times and most had returned to prison on sentences subsequent to their having been strapped.
>
> Some of our institutions house intractable human beings whose hostility and aggression create serious problems of disciplinary control. Newer methods are proving that it is wiser not to counter such hostility by unnecessary force which breeds bitterness; but rather to divert it by work and training programs, by the loss of "good time", and by the creation of privileges which may be withdrawn. Such might be short leaves for home visits and work-out opportunities. Sanctions may be progressively increased with minor penalties achieving great results in the prison setting. Basic to such methods is the individualizing of the inmate and getting at the causes of his incorrigibility. All penal institutions are by nature self-contained social units in which grave abuses of human life and personality have occurred in the past. This must be avoided in any progressive penal system.

● (5:50 p.m.)

> With the changing approach to penology now being made in the penitentiary system, the development of an educational, vocational, religious and cultural program should provide a basic undergirding for a more positive meaning to life in the institutions. The provision of amenities and the anticipated inauguration of short-term leaves for family visiting offer vastly

increased privileges which may be withdrawn. The developing emphasis of the psycho-social approach being made by professional personnel through individual and group therapy and medical sedation should enable changed attitudes to the treatment of disturbed inmates in episodic aggressive outbreaks of hostile behaviour. The reduction of the size of the population in the institutions should contribute to better staff-inmate relationships and a permeation of the inmate subculture. The development of medical corrections centres should make possible the removal of disturbed inmates from the general institutions into a milieu specifically designed to cope with their behaviour.

I could not agree more with Mr. A. M. Kirkpatrick, executive director of the John Howard Society of Ontario.

Mr. Lambert (Edmonton West): Disagree?

Mr. Gilbert: Mr. Speaker, I just heard one of the members in the front row comment that he could not disagree more. He represents the old, reactionary view—

Mr. Lambert (Edmonton West): Oh, take off your halo.

Mr. Gilbert: —with regard to the treatment of young people and that type of approach to criminal law. Mr. John R. Seeley, a Canadian sociologist now associated with the Centre for the Study of Democratic Institutions at Santa Barbara, California, has also set forth what the hon. member for Egmont said, that the men who inflict this type of punishment obtain a psychomasochistic experience. Surely it is time that this was prohibited. I also quote Mr. J. D. Griffin, the general director of the Canadian Mental Health Association, who suggests its abolition.

I introduced an amendment to the omnibus bill which was introduced by the Minister of Justice, dealing with the abolition of corporal punishment. I presented it in committee and it was ruled out. I also presented it at the report stage and it received the same treatment. I am sure, Mr. Speaker, that if we were to poll all hon. members of this House they would agree it is high time this regressive measure were taken off the Canadian statute books. I have never experienced a more barbaric, anachronistic measure.

We do not need any further study. We have had the committee; we have had the Ouimet report. Now it is time for the Minister of Justice, who lost a great deal of his progressive image when he invoked the War Measures Act—

An hon. Member: That isn't true.

Mr. Gilbert: —to regain some of his prestige, some of his progressive spirit by bringing forth a measure which would not only abolish corporal punishment but would abolish the crime of vagrancy, provide for uniformity of sentencing, and legislate with regard to dangerous offenders. Through you, Mr. Speaker, I appeal to hon. members to show their finer instincts and to bring forth legislation in this regard which is in harmony with the social views of today. I hope the hon. member for New Westminster will exert all his power and pressure in favour of this bill and will not become the Reagan of the west by being against such an important measure.

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, in reply to the hon. member who has just spoken I wish to point out that the Minister of Justice (Mr. Turner) has publicly announced that corporal punishment will be abolished. I recognize that this step has been a long time coming, but I assure the hon. member that I have done everything I can and used all the power of a single backbencher to get that bill before the House. However, I think it only fair to state that the House is very occupied with a great many things and, as has been pointed out by the hon. member for Egmont (Mr. MacDonald), there is not a high incidence of use of corporal punishment: thus, there are perhaps one or two measures which could take precedence over its abolition.

The bail reform bill which is now before the House is one of the most important and progressive pieces of criminal law legislation that I have seen for some time. I would ask the hon. member to be patient because I assure him, according to what the Minister of Justice has said, that there is a minor omnibus bill coming in which will bring about long-needed reform in the criminal law. I believe he will find that many of the reforms in it are in keeping with his ideas.

I am certain the minister would not want to delay the matter further by referring these new suggestions to the Law Reform Commission. I look forward to seeing them before the House in due course.

Mr. MacDonald (Egmont): Mr. Speaker, I would like to ask the hon. member a question.

Mr. Hogarth: By all means.

Mr. MacDonald (Egmont): Since time will run out in a minute or two, and since the hon. member has indicated that there is general disposition on the part of the House to deal with this matter quickly, would it not save the time of the House and of the committee if the matter were referred to committee? Then this item could be passed and we could get on with the other items mentioned by the hon. member.

Mr. Hogarth: Mr. Speaker, I was just going to point out that the Parliamentary Secretary is in the chamber. Since the minister has announced that we are going to abolish corporal punishment, and since this bill takes the matter half way, I was about to suggest that we refer the bill to committee right now and assist the minister a little in this regard. However, the only matter that concerns me is that if one looks at the schedule of business that is before the justice committee this year it will be seen that it is absolutely impossible to get down to this particular bill. Therefore, we might as well wait until the omnibus bill comes in, which can be considered in a comprehensive way by the House without being restricted just to private members' hour. I am in favour of the abolition of corporal punishment and of capital punishment and I am only sorry their abolition has not come before the House sooner.

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, what I have in mind is not as cruel as my hon. friends of the opposition might think. If at six o'clock I am not finished with my remarks, it will not mean that I am necessarily opposed to Bill C-16 introduced by the hon. member for Egmont (Mr. MacDonald). Indeed, as was said by the hon. member for New Westminster (Mr. Hogarth), the Minister of Justice has repeatedly stated, I believe, that he was for the abolition of corporal punishment and that a bill to this effect would soon be introduced.

The hon. member for Broadview (Mr. Gilbert) did ask a while ago the hon. member for New Westminster when the minister intended to introduce this bill. May I inform him that if his party had not delayed to such an extent consideration of Bill C-181 last fall, we might have been in a position to pass this legislation in the very near future.

Some hon. Members: Hear, hear.

The Acting Speaker (Mr. Richard): Order, please. The time allotted to the consideration of private members' Business has expired and I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

[*English*]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration of the motion of Mr. Drury (for Mr. Trudeau) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to a committee of the whole.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, before five o'clock I said that I wanted to deal with a few minor points before reaching the substantive part of my remarks in connection with Bill C-207. The second point I wish to make, and admittedly it is a detail, concerns some of the translation of the bill. If expert advice is correct, it would seem that if one were to adopt the English language version of the bill it would be quite simple to develop Fundy tidal power, whereas if one were to adopt the French language version that would be much more difficult. I am sure the government does not intend to develop Fundy tidal power and therefore it does not matter which language version of the bill one chooses to look at. But it is a point worth noting. Once again we have before us, so to speak, two bills. On the basis of expert advice it seems that the legislation as drafted in either of the two languages may be construed somewhat differently on this point.

I do not intend to cover the waterfront in my speech. For one thing, as a backbencher it would be presumptuous of me to cover the many proposals put forward in the bill. My colleagues will be joining me and will be making specific contributions. For example, the hon. member for South Shore (Mr. Crouse) will deal with the demise of the Department of Fisheries, that honoured and ancient department, under this legislation. His colleague and my colleague who represents an adjoining riding, the hon. member for South Western Nova (Mr. Comeau) will deal with the pollution authority to be established by the bill. The hon. member for Wellington (Mr. Hales) will deal with costs. Before the debate is over other members of the Progressive Conservative Party will make contributions. My contribution will be to sketch things out in a general way on behalf of Her Majesty's Loyal Opposition and perhaps to concentrate more specifically on areas that have caused me and my colleagues the greatest concern.

Unquestionably, as was argued earlier today, there are a great many elements to this bill, some of them laudable and easily supported, some questionable and others that probably ought not to be supported at all. Hence arises our concern about the omnibus feature of the bill. It reminds me of the concoction depicted in Al Capp's cartoon series, "Li'l Abner," as kickapoo joy juice, which is made by melting together and mixing almost all ingredients under the sun, some of them tasteful and others not quite so tasteful. The prize part of the kickapoo joy juice legislation which we are considering concerns the department of the environment. I think that is the chief jewel the government can display in the showcase so far as this legislation is concerned.

May I say, first of all, that there is some advantage in having the battle against pollution directed by a single minister. The direction of this battle has up to now been spread among several ministers. The Secretary of State for External Affairs (Mr. Sharp) has some part of it. His role will probably continue. The Minister of Energy, Mines and Resources (Mr. Greene) is also involved in the battle, but he uses it as an excuse to thump his chest over the issue of sovereignty. The Minister of Fisheries and Forestry (Mr. Davis) is in it. His department contains the greatest number of experts in the fight against pollution. These experts are to be transferred to the new department of the environment.

I am sure that my colleague from South Shore, who will follow me in the debate, will deal with the demise of the Department of Fisheries in his usual capable manner. I was going to say "exhaustive manner" but I would not want anyone to misunderstand the use of the word "exhaustive" in connection with the speech of the hon. member for South Shore. The subject will be covered and no stone will be left unturned. I hope that describes

adequately the type of speech that my colleague for South Shore will make.

• (8:10 p.m.)

As I say, there is perhaps an advantage in taking some of the cooks away from the pollution broth and putting one minister to work on it, but we in the official opposition, largely through the speeches and work of the hon. member for South Western Nova, will seek to strengthen the provisions in this omnibus bill. One thing that is obviously needed is money. We have all sorts of programs with glittering titles going around in the pollution field, but when you look at them you realize there is nothing with which to make the programs work. I hope the minister of this new department will be given money with which to work in the field of pollution. The suspicion grows in my mind that by setting up a new department and by putting an old department within it, the money from the old department may mislead the public into thinking that a new war on pollution will be waged, whereas nothing will be done about it at all. That will be a matter for my hon. friend from South Western Nova to develop.

There is some satisfaction on our side that this approach is being taken by the government, that is, the establishment of one department. This is something we have suggested. The first position paper put out last year under the auspices of the Leader of the Opposition (Mr. Stanfield) dealt with the question of pollution and one of the policies set forth in it advocated the following:

> Stepping up the flow of interdepartmental, federal-provincial and international activity and co-operation by creating a Department of Resources and Environmental Management through which all major environmental federal statutes will be administered, and which will become the central core of the federal anti-pollution program.

That day may have come. We hope it has come with the establishment of the department of the environment. Let there be no misunderstanding about this, though: we want not only a department of the environment; we want a body that will get in and do battle with pollution. We shall not be satisfied if we simply engage in a semantic exercise which does not tackle one of the great problems confronting Canadians today.

As I say, my hon. friend from South Shore will be dealing with the swallowing up of the Department of Fisheries by the new department, lamenting, I suspect, the loss of identify of one of the long-established departments of government and pointing out that many fisheries problems are still without solution affecting both inshore and offshore fishermen whose fishing grounds are raked by those vacuums of the sea, the great foreign trawlers. It seems odd that in a measure which creates five ministers of state there should be no room, apparently, for a minister of fisheries, one of our time-honoured Canadian posts. This seems strange to me, especially when there are a multitude of fisheries questions crying out for solution and when we consider that the new minister of the environment will have his hands full fighting the pollution battle and little time to spend dealing with fisheries questions.

I suspect, too, that the new minister of the environment, the present Minister of Fisheries and Forestry, will find himself in a strange position. Part of his attention should be given to the question of the output of renewable resources. At the same time, he is expected to deal with pollution. It seems to me there is some conflict between production on the one hand and control of pollution on the other, so the poor gentleman may develop schizophrenia regarding his duties.

I have mentioned that it is Conservative policy to develop a federal department whose main concern would be environmental control and management. May I point out to the minister—I am sure this will be followed up by my hon. friend from South Western Nova—that there is no power which will give the department of the environment authority to enter into agreements with the provinces. The bill speaks of dealing between the federal government and the provincial governments, it is true, but it does not go so far as to enable agreements to be made between them, as I understand the legislation. I believe the new minister may co-operate with the provinces or agencies thereof as set forth in clause 6(b). This, to us, is another weakness of this measure.

Another portion of the bill provides for the setting up of ministers of state. We have considerable reservations about this part of the legislation. I assume, for example, that a ministerial post could have been established to oversee the operations of Information Canada if the necessary authority were there at the time Information Canada was established. Under the legislation the governor in council would be empowered to appoint the ministers and to assign duties to them.

It is true Parliament gets on the scene when it comes to voting the minister money to carry out his work, but that is something like holding a post mortem; the corpse is laid out before you and you are simply asked to approve what was done or put the best possible face on what went wrong. You do not have the opportunity in such a set-up to say, "This is a good thing and should be encouraged", or "This is a bad thing and should never have been allowed to get off the ground."

My hon. friend from Peace River (Mr. Baldwin), who is away on parliamentary duties at the present time, will I am sure be speaking later on the rather intricate relationships between the Crown, ministerial appointments and Parliament in general. I am sure this will be part of the topic he will tackle.

Then we come to the question of appointments not only of ministers of state but of Parliamentary Secretaries, whose number is to be increased. It is calculated, believe it or not, that in the run of a four-year Parliament 138 members supporting the government could have a paid position of some kind with the exception of committees chairmen. This is almost 90 per cent of the strength of the present crowd supporting the government of the day. This is a figure that makes the mind reel. Twenty-eight of these would be members of the cabinet. Ten would be ministers of state, five being appointed for each of the two-year periods in a Parliament lasting four years. The Prime Minister (Mr. Trudeau) has already

introduced the idea of appointing Parliamentary Secretaries on a two-year basis, and 28 of these could be appointed for each two-year period, making 56 altogether. There would be two Deputy Speakers, one for each two-year period, and there would be two Deputy Chairmen of committee of the whole House. On the basis of assuming a change every two years, there would be a whip and assistant whip, each for a two-year period, and 18 chairmen of committees, or 36 over four years.

• (8:20 p.m.)

These are maximum figures. One assumes that the Prime Minister of the day would not make all these appointments, but even if he made a number it is obvious there would be titles enough, and in most cases emoluments enough, for more than 100 members of the governing party in a four-year term. Certainly this is one way to develop prime ministerial patronage.

Some hon. Members: Oh, oh!

Mr. McCleave: You must wait for the Prime Minister to get back. I cannot help you.

Mr. Otto: There is always room for a backbencher.

Mr. McCleave: There speaks an honest backbencher. Fate has not been very kind to him, but he is always in there pitching and one knows that he exists.

Mr. Ricard: And he always speaks right.

Mr. McCleave: My colleague points out a further virtue of his, namely, that he always speaks right no matter what he says. I suggest there is a large element of prime ministerial patronage in the proposed set-up. Members on this side get hungry, too. I would not have said that but my banker thought I should speak out, and he does have some influence on me. There are members on this side with responsibilities and difficulties, too. We work just as hard but are somewhat down on our luck in a war on poverty that has been solved so successfully for one crowd but not the other. As I say, this proposal has enormous potential for patronage in the hands of one man and I do not think it will be accepted very easily by Canadians who at the moment, at least, seem to be in some sort of mood for political change. I know this has happened at all levels in Nova Scotia and recently in New Brunswick, and it threatens to happen in other provinces simply because people are concerned about what seems to be lack of sufficient regard for the tax dollar by people who have been elected. These people will not be happy at the vast increase in titles on Parliament Hill.

The only exception I make to this is my approval of the salary to be paid to the minister now in charge of the Post Office. I do not think anybody on the opposition side would say this is not justice. It is justice. He took on a miserable job. He had to clean the stables and solve the difficulties created by another person who was getting full ministerial salary, whereas the present minister is only at the level of Minister without Portfolio. That is unjust and I am cheered to see that the bill will right at least that injustice. One other point I should like to make about the increase in the number of those around the Prime Minister, ministers of state, extra Parliamentary Secretaries and the like, is that at least this means there will be almost twice as many people to share the burden of forgetting.

I come now to the provision of the bill dealing with the Public Service of Canada and the question of early retirement from the public service. This provision is so different from the rest that I wondered why it was included in the first place. It did cross my mind that perhaps this section of the bill was more connected with the reorganization of the government than we first imagined, and that it would open up a vast senior level of the public service of Canada for appointments by the government. While there has been talk about people retiring, from my reading of the legislation there might also be the retirement of people; that is to say, showing them the door at an early age, as well as people themselves stepping over to open it and to march out into retirement. This is a question that will occupy us very much when we study the meaning of the legislation.

If I am correct in assuming that there may be a danger in this regard of forcing out people below normal retirement age, then we are opening up a very substantial question indeed, because it would mean that the government could, in effect, sweep aside top level public servants and replace them with government hirelings. If that is the case—and there is some suspicion on this side that this is exactly what the Prime Minister is aiming to do—this step will be resisted.

Be that as it may, there is one part of the legislation that is absolutely abhorrent. It is that the early retirement proposals can be imposed through inaction in committee of the whole House with nobody being given the opportunity to appear on behalf of civil service associations to express their view on this measure. I think this is wrong. I remember a couple of years ago being a member of a joint parliamentary committee of which the hon. member for Ottawa East (Mr. Richard) was co-chairman. That committee dealt for a substantial period of time with some very important changes to legislation dealing with the public service of Canada. I say that this issue is as important as any that we dealt with at that time. I say, further, that public service associations and others should be given an opportunity to appear and express their views. I know the Public Service Alliance has endorsed the idea in principle, and that I understand. There is still a pretty good point to be made, that one has to study the ramifications to find out whether these associations are speaking for their memberships or, as often happens on the Ottawa scene, whether the statements are being made for a few in the name of man's.

• (8:30 p.m.)

Finally, Sir, I am generally surprised by the bill and I question again the horrendous form in which it is presented to us. I do not intend to scout the point of order I raised this afternoon, which was dealt with so capably by members on all sides and by the ruling of Mr. Speaker. I

would point out that then we have a bill in which there are contained parliamentary enactments and the removal of clauses, replaced by other clauses in various schedules to the bill, we are really being asked to give away a great deal as parliamentarians. I think it is absolutely abhorrent to the notion of what Parliament is all about to bring in that sort of measure for consideration in this chamber.

For these reasons, Mr. Speaker, I move, seconded by the hon. member for Saint-Hyacinthe (Mr. Ricard):

That all the words after "That" be left out and the following substituted therefor:

"Bill C-207 be not now read a second time but the subject matter of part I and schedule A to the bill be referred to the Special Committee on Environmental Pollution, the subject matter of the long title to the bill, clause 1 and parts II and III be referred to the Standing Committee on National Resources and Public Works, the subject matter of parts IV, V and VIII be referred to a committee of the whole, the subject matter of part VII be referred to the Standing Committee on Justice and Legal Affairs, and the subject matters of part IX and schedule B to the bill be referred to each said committee for consideration of so much of the said subject matters as relates and is necessarily incidental to or consequential upon that subject matter hereinbefore first referred to that committee."

It would take a caravan of Philadelphia lawyers to lead one through a labyrinth like that, but this simply illustrates the problem we are up against in dealing with Bill C-207 which covers the waterfront and has a format which is offensive to the simple minds of those of the legal profession because of its complicated and labyrinthic meanderings. I am not in support of simply trying to make the best of a very bad piece of legislation; therefore I move that amendment to the bill.

Mr. Speaker: The hon. member will appreciate that it might be a little difficult for the Chair to accept the amendment in its present form. The hon. member, by his comments, has indicated that he has some doubt as to the procedural acceptability of his amendment as drafted. If the hon. member would like to offer comments to indicate to the Chair that the amendment as drafted is acceptable, then of course a ruling will be made.

The hon. member knows it is in order to suggest that the subject matter of a bill be referred to a standing committee, but I suggest that to go behind a motion which is before the House which at the second reading stage of a bill, and to divide it in an indirect way, is not acceptable procedure. If the hon. member has other advice for the Chair, I would be pleased to hear it.

Mr. McCleave: Mr. Speaker, perhaps I did not make myself as clear as I intended. I did not have any doubt about the amendment I moved; I was simply pointing out that it appeared to be in a very awkward form because of the difficulty of dealing with the many points in the bill we are considering.

Mr. Speaker: Because I have serious reservations about the amendment, perhaps I should have another look at it. I should think if the hon. member simply moved that the subject matter be referred to a committee, there would be no difficulty. I doubt very much that the detailed amendment moved by the hon. member is acceptable, but I will have a second look at it and make a ruling in a few minutes.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when Your Honour says you will be giving a ruling in a few minutes, does that mean that if there is any argument it should be made to you now?

Mr. Speaker: Yes. I was hoping that anyone having any views to express for the guidance of the Chair would put them forward now. Obviously it would be better to hear procedural argument before we proceed with the next speaker who will, I believe address himself to the substance of the motion before the House.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the amendment comes as a surprise to me, and I use that word in two senses; first, I did not know it was coming and, second, it is a unique and novel amendment. In fact, I think the hon. member deserves a medal of some kind for having drafted it. However facetious that is, it is not to be taken as lack of sympathy for the amendment. Recently we have had two or three attempts to move reasoned amendments, the gist of which were to refer the subject matters of bills to certain entities. There is still on the Order Paper a motion for second reading of the young offenders bill and an amendment thereto which would refer the subject matter to a special committee to be appointed under the Inquiries Act.

A few days later when another member sought to move an identical amendment to another bill—I forget which one it was for the moment but it does not matter—Mr. Speaker was in the Chair and ruled it out of order on the ground that the entity to which the subject matter was to be referred did not exist. When we pointed out that this was on all fours with the proposal regarding the young offenders bill, the response from the Chair was that there was unanimous consent in that case for the reference to be made to a body yet to be appointed.

The point I am making in this regard, Mr. Speaker, is that the Chair does seem to have agreed that it is in order, as a reasoned amendment, that the subject matter be referred. I think that the sum and substance of the last two incidents makes it clear that the Chair feels that the body to which reference is made must exist. We accept that. That is precisely what the hon. member for Halifax-East Hants (Mr. McCleave) is doing. He is seeking to move that the subject matter of the bill be referred to bodies that exist.

The only problem that seems to arise in Your Honour's mind relates to the plural nature of this reference. If the hon. member were moving that the subject matter of the entire bill be referred to one standing committee, or one entity that existed, I take it Your Honour would have no objection. What seems to bother you, Sir, is that the hon. member is referring it to several different committees. Your Honour suggests that that bothers you because it seems to be an indirect way of dividing the bill.

I think the ruling Your Honour will make will depend upon your interpretation, almost, of the motivation of the hon. member. Is his prime purpose to divide the bill? If so, Your Honour has good precedent for ruling it out. Or

is his prime purpose to refer the subject matter of the bill in order that they may be dealt with elsewhere? I think it is clear, not just from the way the hon. member spoke but from the wording of his amendment, that he is not seeking to divide the bill. We accepted Your Honour's ruling earlier that that cannot be done. The primary purpose of this amendment is to refer the subject matter of the bill to extensions of this House, to appropriate committees which could deal with these various propositions.

Your Honour, in your remarks earlier today, admitted there were many different propositions, if not principles, in this bill and you sympathized with our complaint about having to deal with it in omnibus form. We have accepted the ruling you made that it is one bill and cannot be divided. However, I would argue that this amendment should not be thrown out on the ground that it is an attempt to divide the bill, because I do not think that is what it is. I believe it should be accepted as a straightforward attempt to have the subject matter of the bill referred to committees which could appropriately study its various portions. I would hope that Your Honour's ruling would be in favour of the amendment.

• (8:40 p.m.)

Mr. Speaker: I thank the hon. member for Winnipeg North Centre (Mr. Knowles) for his contribution. The time he took to express his views regarding the procedural point raised by the hon. member for Halifax-East Hants (Mr. McCleave) has given me a little more time to think about the matter and has convinced me further that the amendment is not procedurally in order. I am not suggesting this is an indirect attempt to divide the bill and that the amendment should be rejected on that basis. At the same time, I am not accepting the suggestion of the hon. member that this should be accepted as a reasoned amendment. It is not a reasoned amendment. It is largely a deviation or a change from the old-established form of amendment which provides that the subject matter of a bill or a motion before the House be referred to a special committee or a standing committee.

What I believe is objectionable from a procedural standpoint in connection with the proposed amendment is that it goes into the details of the bill. I suggest that this cannot be done in the form of an amendment to refer the bill before the House, which is for second reading, to different entities or different bodies. There is more to the matter than determining the body to which the subject matter is to be referred. I fully agree with the suggestion made by hon. members that the committees to which it is proposed to refer the several parts of the bill do exist; but as I have said, there is more to the point than that.

My difficulty in accepting the hon. member's proposed motion is that it goes behind the bill and seeks to touch the different parts of the bill by way of an amendment which normally should not be put forward in this form. The hon. member, in the course of this long debate—I assume it will not finish tonight or tomorrow and that we will be considering the bill for some time—may have an opportunity, with the assistance of some of his colleagues, to propose an amendment which would be more procedurally acceptable to the Chair.

[Mr. Knowles (Winnipeg North Centre).]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the legislation now before the House is such a mixed bag that one cannot do more than touch on some aspects of it in an opening speech. Some of my colleagues, however, will deal with specific sections of the legislation and in committee of the whole we will be in a position to deal with it in more detail.

Since this bill is in the name of the Prime Minister (Mr. Trudeau) I expected the right hon. gentleman would have been here to introduce it, or that it would have been left until he was here at which time he would have indicated the main thrust of government policies inherent in government reorganization. The fact that the bill has been introduced by the President of the Treasury Board (Mr. Drury), not the Acting Prime Minister (Mr. Sharp), the House leader and certainly not the Prime Minister himself, indicates to my mind that either this bill is largely window-dressing or that its real purpose is to provide for changes in superannuation for senior civil servants. I hope that before this legislation is disposed of at this stage of the debate, the Prime Minister—who will probably have returned by that time—will have entered the debate to outline the government's rationale behind the legislation.

Mr. Speaker, if government reorganization is to be of any value it should have a specific purpose with clearly defined objectives. I listened in vain this afternoon to the statement of the President of the Treasury Board for some statement of purpose. There was no delineation of the government's goals and objectives in the statement made by the minister. The fact is that the government is obsessed with the means rather than the ends. Canada today is being led by technocrats, when it needs statesmen. The government is like a giant machine with a weak motor; they keep adding pulleys and belts which only add to the burden of an already overworked motor.

The government is obsessed with administrative procedures because it lacks any clearcut objectives. A mere reshuffling of responsibilities among various ministers and the moving of certain responsibilities from one department to another will not guarantee results unless there are clearcut policies to be enunciated, and we have heard none today. Efficient government administration of course is essential, but administration is only a tool which is designed to bring about clearcut results. Without goals, administration becomes merely a bureaucratic nightmare.

The government loves this technocratic jargon about input and output, but the fact is that the input has been fuzzy and the output has consisted mainly of rhetoric contained in white papers and in ignored reports of parliamentary committees. Bureaucratic rhetoric and technocratic jargon are no substitute for clearly stated policies and specifically defined objectives. This legislation, like so much of the government's activities, is designed to give the impression of movement while standing still. The Prime Minister has become the great illusionist. The public are invited to see the action and be where the action is, whether it is riding elephants or modelling the latest fashion in sartorial elegance. In the meantime, the ship of state is going nowhere and never

leaves the harbour. It is like a training ship—all bustle and activity but the ship never puts to sea.

• (8:50 p.m.)

Mr. Boulanger: Tell us something new. This is old.

Mr. Nesbitt: Nothing has changed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): This government likes to give the impression that it is the latest word in technocracy and efficiency.

An hon. Member: This is a 1912 speech.

Mr. Douglas (Nanaimo-Cowichan-The Islands): We have had good examples of it. It was amusing to watch the President of the Treasury Board this afternoon trying to explain how it was that we got rid of the Postmaster General and put the Post Office into the Department of Communications, because the Post Office was part of the communications system, and then trying to explain by some metaphysical contortions why it was necessary to take the Post Office out of Communications, without saying frankly that the Minister of Communications (Mr. Kierans) had made such an unholy mess of the Post Office they had to take it out.

When we hear hon. gentlemen opposite talking about efficiency, we have only to consider the snafu of the last few days. Here we have a memorandum from the assistant director of the Public Service Commission sent to the various departments of government, setting forth proposals for a program to hire certain Francophones and intimating that $2 million will be available for this purpose. The President of the Treasury Board does not know anything about it.

Mr. Gibson: That's what you think.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I say to the hon. member for Hamilton-Wentworth (Mr. Gibson) that I at least have accepted the minister's word.

Mr. Knowles (Winnipeg North Centre): That is more than he has done.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I am sorry to hear that he has not. But no such memo could be sent out to departments of government unless it was with the knowledge and consent of either the President of the Treasury Board or someone in the Prime Minister's office.

Mr. Francis: Nonsense.

Mr. Douglas (Nanaimo-Cowichan-The Islands): No one would dare to send out a memo promising departments that $2 million in addition to the regular appropriation would be available unless this had been approved either by the President of the Treasury Board or by someone in the Prime Minister's office. I accept the statement of the President of the Treasury Board that it was done without his knowledge and consent. When I asked the President of the Treasury Board this afternoon who initiated and authorized this memo and where it came from, he went around and around talking about gestation. There never was a more difficult birth on the floor of the House than the one we watched this afternoon as the minister laboured through an answer.

Mr. Nesbitt: It was a good argument for abortion.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The fact is that he knows who initiated it and is afraid to tell the members of this House. The President of the Treasury Board said this afternoon that this legislation would make the executive more responsible to Parliament, but he did not set out in any particular where the legislation would help make the executive more responsible to Parliament. The fact is that Parliament is more and more losing control of the purse-strings. Under our new system estimates go to committees which do not meet until the session is well under way, and then they are rammed through committee in the last few hours. There are only certain days on which estimates can be debated and we find that when we come to the end of those days many of the estimates have not been dealt with. Money is voted without estimates ever having been discussed. The Crown corporations do not report to committees in many instances. The report of committees that have looked at the estimates are not discussed in the House.

An hon. Member: What about opposition days?

Mr. Douglas (Nanaimo-Cowichan-The Islands): The report of the Public Accounts Committee is not discussed. The only way in which we can raise in the House the complaints of the Auditor General regarding government mismanagement is to raise the matter on one of the allotted days or by moving a motion under Standing Order 26. I think that Parliament is exercising less and less control over the executive. Instead of hon. members opposite treating this matter so lightly, it might be more advisable for them to take their responsibilities seriously. Members on both sides of the House should take whatever steps are necessary when this legislation is before the House to insist on the type of controls which Parliament should exercise over the executive and over the purse-strings. The mere reorganization of departments will have little value for this country unless we have from the government a clear statement of the policies that lie behind their administrative changes.

Let me give one or two illustrations. For several years we have been asking in the House for a clearcut statement of the government's science policy. The President of the Treasury Board has had some responsibility for science policy. Perhaps after this reorganization a minister of state will be given the responsibility for looking after science policy. If hon. members took the trouble to read the first volume of the report of the Senate Committee on Science Policy, they would see there one of the most damning indictments of the government.

It points out that $1 billion a year which Canada spends on research is, in the main, wasted. It points out

that because of departmental rivalry and the veto power of Treasury Board, the federal government has muddled along with "a series of limited and isolated science policies, without having an over-all view of what was going on and a global strategy for what had to be done". That is true. It also points out that in the field of research into technology we lag far behind most of the industrial nations of the world, even small nations like Holland, Sweden and France. It points out that increasingly we are becoming dependent upon the research carried out by U.S. corporations, and that Canadian companies are having to rely more and more upon fabricating and processing research conducted by U.S. parent companies. The Committee quite properly point out that this is part of the reason for the foreign domination of our economy.

• (9:00 p.m.)

Mr. Speaker, the real reason for many of the takeovers in Canada has nothing to do with capital. Canada has been an exporter of capital for some years. The minister need not shake his head. If he takes the trouble to read the royal commission report he will find those figures are there. The real reason for many takeovers is that American parent companies are able to supply the technical know-how and apply the results of technological research. It is for that reason they are able to take over Canadian companies and to supply services that Canadian companies have not been able to supply.

Therefore, Mr. Speaker, I point out that the whole question of a science policy ought to be delineated by the government; the mere moving of some of the branches from one department to another will not give us a science policy. The report of the Senate committee indicates that unless we get a science policy, Canada will be in trouble.

The same is true with respect to the setting up a department of the environment. We all agree that the idea of having one minister responsible for pollution control and for the preservation of our environment is a good one. It is being suggested that the Minister of Fisheries and Forestry (Mr. Davis) will probably be appointed to that post. He is a man who has always been deeply concerned about pollution problems. He comes from a part of Canada where we have seen some of the devastating effects of pollution, in particular its effects on our fishing industry, and I think the choice of that minister to become head of a department of the environment is a good one.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): But, Mr. Speaker, the appointment of a minister of the environment will do little to meet the problems of pollution unless the government is prepared to give him the legislative power and the funds with which to discharge his responsibilities. The government knows that the public are distressed and alarmed about the pollution of our air, water and soil. It knows that the public are clamouring for action. So the government has decided that this is a popular issue and that it must do something to appease the public clamour. The government's solution is to appoint a minister to deal with this matter. But, Mr. Speaker, the mere establishment of a bureaucracy under one minister will not in itself cope with the problem of increasing pollution.

This afternoon the President of the Treasury Board said that our environment is deteriorating very rapidly. But he did not indicate in his statement, and there is nothing in the legislation which suggests that the minister of the environment will have any power to stop deterioration in our environment.

Mr. Drury: You have heard of the Canada Water Act?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Let me deal with the Canada Water Act. It is illustrative of the inadequate powers which the minister of the environment will have to cope with the problems of water pollution. The President of the Treasury Board ought to know that in the Canada Water Act there are no national standards; there is no central authority. There will be water quality management boards, none of which have yet been set up, but they will have the power to set their own standards in different areas. As the Minister of Fisheries and Forestry himself said, this could lead to the establishment of pollution havens in those areas that are much less concerned and much less vigilant than other areas.

Mr. Hogarth: Like Nanaimo.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The hon. member can speak for his own area.

Mr. Hogarth: I am speaking for yours. You know the smell of the pulp mill in Nanaimo.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I know all about the smell of the pulp mill in Nanaimo.

Mr. Hogarth: What can we do about it?

Mr. Douglas (Nanaimo-Cowichan The Islands): I am perfectly certain that the setting up of water quality management boards, with representatives of some of the polluting companies sitting on the boards, and with no national standards, is not likely to improve the situation.

Mr. Hogarth: You never give the minister credit for the constitutional limitations on his power.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I will deal with that matter in just a moment.

Mr. Hogarth: Good.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I want to point out that these boards will not meet the situation. None of them have been set up yet, and we have no indication that they will be set up. The Minister of Energy, Mines and Resources (Mr. Greene) has been very skittish about answering questions in this regard. Their composition is ambivalent and their powers are extreme-

ly limited. What we need is legislation under the Criminal Code of Canada, making it a criminal offence to pollute the air, the water and the soil of Canada. What we need is a national pollution control commission with power to set national standards, with power to work through local pollution control boards and to see that those standards are enforced. We need a national pollution control fund to provide grants and loans to municipalities and to industry so that the treatment facilities can be installed at the earliest possible time. Unless the government is prepared to put teeth into this legislation, teeth which are notoriously absent from the Canada Water Act, the new minister of the environment will find himself just as helpless and just as ineffectual as has the Minister of Energy, Mines and Resources in dealing with this job.

May I deal with another department that the minister referred to this afternoon, that is, the Department of Energy, Mines and Resources.

Mr. Hogarth: What about the constitutional problem? Tell us about the constitutional problem with regard to pollution control.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, if the hon. member was here when the debate was taking place on the Canada Water Act, he heard this question dealt with very adequately by my colleague, the hon. member for Greenwood (Mr. Brewin). No one doubts for a moment that this Parliament has the right to deal with legislation referring to the Criminal Code.

Mr. Hogarth: Yes, but that will throw men out of work.

Mr. Deputy Speaker: Order, please. The hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) has the floor and he should be permitted to make his contribution.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, whenever the Liberal party are caught in a jam for doing nothing, their first excuse is the Constitution. When you chase them out of that bomb proof shelter, then they say you are going to throw men out of work. You will not throw men out of work; you will put men to work. If men are employed installing the necessary treatment facilities, that will provide employment. There is no need to put people out of work. Installing sewage treatment facilities and affluent recycling equipment in the factories will put people out of work. The trouble is that hon. gentlemen opposite want to fight pollution with rhetoric and loquacity instead of with action. This is typical Liberal policy.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): If fancy words, task forces and reports would solve problems, hon. gentlemen opposite would have solved them long ago. But whenever they face a problem all they do is trot out excuses. They must have a factory in the Liberal party for manufacturing excuses. Excuses are the only thing they have produced in abundance to date.

Some hon. Members: Hear, hear!

Government Organization Act, 1970

Mr. Douglas (Nanaimo-Cowichan-The Islands): This afternoon the President of the Treasury Board made reference to the Department of Energy, Mines and Resources, which is referred to in this legislation. Again I insist that setting up and defining the areas of activity for this department will not achieve any worth while results unless we get a clearcut statement of policy. If the Department of Energy, Mines and Resources has a policy, it has certainly been kept under wraps. I think we have a right during this debate to hear a statement from the government as to the rationale behind the development of our resources.

• (9:10 p.m.)

Is the sole purpose of denuding ourselves of both renewable and non-renewable resources the supplying to other countries of raw material to feed their factories? If it is, we have only to look at our own financial picture for the last 12 months. In 1970 we broke all records for exports, yet the per capita income of Canadians hardly moved upward. In the last half of the year it declined slightly. With all our production and all our sales overseas, we have not enriched our own people, for the very obvious reason that the price of raw materials on world markets has lagged behind the price of durable goods, and because the primary extraction industries are highly capital-oriented. They have a low labour content; jobs are to be found not in the extraction industries but in the processing and manufacturing industries. Is it the policy of our Department of Energy, Mines and Resources to export our raw materials as soon as possible and in as raw a state as possible, or have we a policy of progressively processing more and more of our raw materials in this country? If we have such a policy, it certainly has not been outlined by this government.

This afternoon the President of the Treasury Board said that we have been able to obtain access for greater amounts of oil to the United States market. Yet we have heard no statement of policy as to the relationship between our gas and oil exports. There has been no clear policy statement as to the energy requirements for Canadian development and growth and what is surplus to our need.

It is rather interesting to note that almost every American who makes a speech, whether it be the Federal Power Commissioner or the Secretary of the Interior, keeps talking about a continental energy policy between Canada and the United States. Yet when I ask the Minister of Energy, Mines and Resources about this, he says that there is no continental energy policy. The Americans seem to know about this policy, but the Canadians do not. Even when they attended the conference here in Ottawa, the secretary of the interior said, "We are pressing for a continental energy policy between Canada and the United States." It is strange that only the Americans knew about this continental energy policy and that Canadian participants in the discussion have never heard about it. Last Thursday, when I asked the Acting Prime Minister about this continental energy policy, he said there is no such policy. He said, of course, that there is co-ordination between Canada and the United States on energy matters.

What we want to know is, when does a co-ordinated energy policy become a continental energy policy? Surely the Acting Prime Minister was playing with words. I hope that before this debate is over we shall have a statement from the Minister of Energy, Mines and Resources setting out government policy on our energy resources. Are we to continue giving away the most accessible energy resources we have, and then be forced to go farther afield to secure energy resources for our own uses, resources that will undoubtedly cost more than those immediately available? These are questions we want answered. If we do not obtain the answers in this debate, we shall expect to obtain them during committee of the whole stage.

Mr. McCleave: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): Now may I say a few words about superannuation.

An hon. Member: Why not speak to the bill?

Mr. Douglas (Nanaimo-Cowichan-The Islands): If the hon. member does not know about the bill, I suggest that he has not read it. The bill deals with the Department of Energy, Mines and Resources. It deals with the environment and with the matter of superannuation. The trouble with hon. gentlemen opposite is that they have really been sold this bill of goods and the idea that if you tinker around with the machinery it does not matter whether or not you have a policy. We have tried to discover the government's policy. If the government has a policy, we shall expect the ministers to stand up and outline that policy during this debate.

In closing I want to say a few words about the superannuation provisions. We shall deal with them more specifically in committee of the whole. I think there is some merit in allowing superannuation plans to be flexible. But surely the flexibility ought not to apply just to privileged groups in the Public Service. The provision about which we want a great deal more information is the one saying that a deputy minister who has served for ten years or more with the government shall have the right to leave government service, work in industry or elsewhere, continue to make his superannuation contributions, which would be matched by the government, and be eligible for a full pension despite the fact that he may have worked for the government for only a limited number of years prior to his reaching the age of 60.

What is the rationale behind this provision? If a man's services are not satisfactory to industry, they let him go. They may give him one year's salary or even allow him to take a deferred pension. In industry, generally a man is not allowed to leave one firm's employ and continue to pay into that firm's superannuation fund so that he will obtain a pension not only from the employer he has left but from the new employer to whom he has gone. This is a most unusual provision. If some deputy ministers or civil servants are performing services that are no longer satisfactory, then surely the government can dispense with their services. It can give them a separation allowance or a gratuity and allow them a deferred pension.

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

Why is this special provision being made for deputy ministers only? Of course, some deputy ministers have been former Liberal candidates and Liberal activists. Is this the sweetener that the government is giving to these people to ease their discomfort when it turns out they are administrative mediocrities and political liabilities? Is this provision designed to enable representatives of industry to move with ease from government service to industry and then back to government service without any loss of income security?

The Prime Minister keeps talking about participatory democracy. What the Liberal government has been building over the last few decades is a managerial oligarchy manned and manipulated by the corporate structure. Many of the ministers in this administration and in the Pearson administration were former civil servants—part of the mandarin class that makes policies behind the scenes. Some of these ministers went back into the civil service, like Mr. Pickersgill and Mr. Chevrier. They moved easily back and forth within the inner circle of the power-brokers.

• (9:20 p.m.)

Most of the advisory committees which have been established are, like the advisory committee on oil and gas, made up of representatives from the very industries they are supposed to regulate. The line between the government and the corporate structure is becoming increasingly blurred almost daily. While the Prime Minister makes speeches about participatory democracy, the corporate elite are manipulating the levers of power. They no longer merely advise the government; they are rapidly becoming the government. I think, therefore, that this provision to enable deputy ministers to move from government to industry or from industry back to government, always within this cosy little arrangement, is one which should be looked at very carefully.

The President of the Treasury Board told us this afternoon about the nuts and bolts of administration. I urge the government to use this debate to outline the policies behind this administrative reorganization. What are the goals toward which the government is moving? Let us hear from the man who is to be the new minister of the environment. Let us hear from the Minister of Energy, Mines and Resources. Above all, let us hear from the Prime Minister so that we may know the purposes which lie behind this administrative re-shuffle and the aims and objectives the government has in mind in presenting this legislation. We have heard about the administrative changes. We want to know the policy decisions which lie behind the legislation we are asked to consider and we shall insist upon being told what they are either on second reading or in committee of the whole.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, on reading Bill C-207 entitled "An act respecting the organization of the government of Canada and matters related or incidental thereto" a member cannot but leap with anger.

A brief study of the administration of the Liberal government since it was elected in 1968 reveals that its

sole preoccupation has been to review its policies. To do so, it hires commissioners-inquirers who review the policies of the various services and departments, which finally leads to the publication of white papers. And we know at what rate those task forces, those Royal commissions of inquiry, those organizations and reorganization plans have proliferated.

Now, today, Mr. Speaker, with much fanfare, the government introduces a bill of the package-deal type, containing more than 12 different proposals that, according to the Appendix, are related to more that 15 different acts. Hon. members will have to vote for or against the whole bill as if it were or should be the instrument that will save the nation from the problems it is facing.

The bill seeks to create a Department of the Environment, to make small changes within the Department of Energy, Mines and Resources, to create ministries to be headed by Ministers of State who will get $15,000 a year over their normal salary.

When we keep on reading, we find out that the intention is to have as many Parliamentary Secretaries as there are departments and to re-establish the Post Office Department—where there have been five Postmasters General in ten years—to increase pensions while old people are oppressed and the unemployed are told: Starve, tighten your belt, wait till you are 65 years of age to draw your pension.

Mr. Speaker, I maintain that the bill is not only sickening, but shows clearly that the government instead of establishing a just society is endeavouring to establish one where public funds will go to a privileged class, to some all-powerful and greedy officials, at the expense of the public.

This bill becomes the favourite tool or weapon of the government to reward supporters who have become useless or too old.

Mr. Speaker, it is a means like another to keep those individuals from doing their duty and to make them toe the line with the promise that they will be remembered later.

Finally, what changes will the bill bring? We are told, in the first place, that it will create a Department of the Environment. This department, according to the President of the Treasury Board, is to deal with pollution.

But, Mr. Speaker, after hearing his speech, I read a small newspaper article which said much and which appeared in *La Presse* on January 26, 1971. It is entitled: "No to affluence is the price of pollution control".

May I be allowed, for the information of my hon. colleagues, to quote brief excerpts from it. It says:

"Canadians will have to give up affluence to pay the cost of fighting pollution," said last night the Chairman of the Bank of Montreal, Mr. G. Arnold Hart. However the public must be cautioned against the sudden passing of ill-advised legislation".

• (9:30 p.m.)

The quotation continues as follows:

And that is where the problem lies. According to the banker, any effort to combat pollution will result in economic restraints, but he added that "it is much too easy a temptation to wish the people responsible for pollution to bear the cost of the fight against pollution."

Mr. Speaker, is there anything more absurd than the excerpt I have just read? This banker who enjoys the protection of governments for unduly increasing his profits at the expense of the Canadian population, who can lend 14 times each dollar deposited in his bank, who has enjoyed the protection of governments and who controls them, now tells the Canadian people at the time when the minister announces the establishment of a Department of the Environment that the invoice for this fight against pollution will have to be paid by the population. In turn he repeats after the governments: Tighten your belts, starve, as we do not have the money for this fight.

Mr. Speaker, that banker makes one forget wherein lies the problem. He shifts it completely and tells the public: You will, once again, have to pay the price.

There is no doubt that the problem of pollution in Canada is very serious. Because we have been remiss in the past, we cannot delay further its solution. Nevertheless, with the establishment of this department, the government is trying today to make political capital. Because it is dishonest, because it plays with people's votes, and with their pocketbooks, it does not say how it will meet the costs of this fight.

Government members make bombastic speeches, but they do not explain how the costs of this fight will be met. On the contrary, the government is following the same policy as bankers who say: The people will have to tighten their belts; they will have to pay the bill, to starve and keep on depriving themselves, because governments kotow to high finance.

That is the most absurd situation it is possible to find in a government, namely that the government is in the power of high finance and, at the same time, it distracts the people with a so-called policy of grandeur.

Mr. Speaker, remember where a policy of grandeur, leads to. The Prime Minister (Mr. Trudeau) talked about fighting inflation; we saw him on television and we heard him say, with a quiver in his voice, that the only problem in Canada was inflation.

People were told: Tighten your belts, do not raise salaries by more than 6 per cent, deprive yourselves. Older people who were out of work and were not yet entitled to the old age pension were told: Wait until you are 65 years of age. Tighten your belt a little, good times are just around the corner. Young people were told: Go to school, get diplomas, tomorrow you will have a happy society where you will find a place for yourselves.

Mr. Speaker, where do such incisive formulas and this anti-inflationary policy of greatness lead us, with the appointment of agencies like the Prices and Incomes Commission with which to deceive people floundering in the system, when their only concern is to get votes.

That does not solve anything. It is a policy of bandaids on wooden legs and we see today that the fight launched against inflation resulted in uncontrolled and uncontrollable unemployment.

What is the result of this omnibus bill that contains 35 or 40 different provisions which, in the end, settled absolutely nothing? People are amused with these matters

and bankers are allowed to continue to exploit people, to keep their hold on them as slaves in front of the dollar bill. On all fours in front of the dollar bill, this government does absolutely nothing to change the situation. On the contrary, it protects the magnates of finance, and to give itself the appearance of a responsible, dedicated and well-intentioned government, it introduces a bill to increase the number of parliamentary secretaries and ministers without portfolios, as if there were not already enough of them to deceive the people of this country and produce nothing.

Mr. Speaker, in my opinion, the bill is absolutely unthinkable since it is known that it will not solve the basic problem. There are points I would like to return to more specifically. The following passage occurs on page 9, concerning clause 27 of the bill, and I quote:

(1) The amendments proposed by this subclause would provide improved early retirement benefits for certain categories of persons employed in the Public Service, calculated on the basis of the age, length of pensionable service and circumstances of retirement of such persons.

Mr. Speaker, that is part of the explanatory notes. It will be remembered that when the House discussed old-age pensions quite recently we, of the Ralliement Créditiste, asked the government to at least consider the possibility of bringing down the minimum age for payment of old age pensions. We were told: It would cost too much. When the government was asked to allow people over 50 to get their old age pension before the age of 65 so as to enjoy income security and at the same time get out of the labour market overcrowded with unemployed, they answered: That is not good enough, it is a bad measure.

But it seems to be good for civil servants. This means that the government protects a very small part of our society, namely, the civil servants, and does not treat in the same way those who provide the money to pay these civil servants.

The government should at least be fair enough to treat the taxpayers and the civil servants equally instead of favouring one group at the expense of the others. I think that is a sample of an unjust society.

On page 11 of the bill, in the explanatory notes, one can read this:

This amendment would enable a former deputy head to elect to continue to make contributions under the *Public Service Superannuation Act* after he ceases to be actively employed in the Public Service.

Here is another example of discrimination between workers in the private sector and the civil servants encouraged by the government. If the House accepted this amendment, the government would allow a public servant to retire and keep on contributing to his pension fund as though he were still working, so that in the end he might have more substantial pension.

I am not suggesting that those provisions concerning public servants are bad, but if the government considers them good for public servants, they should be just as good for other Canadian citizens. That is why I wonder about the logic in the government's position. When we propose to ensure decent living conditions and economic security to the Canadian citizens, the government replies: It would be too expensive, it is not feasible, it is not advisable.

This is another example of how this government is running the country. They claim to be fair, but in fact, they could not care less about the Canadian people.

On page 12 of this bill appears the following explanation, and I quote:

This amendment to the *Salaries Act* would provide a salary for each Minister of State referred to in clause 19.

Mr. Speaker, clause 28 reads as follows:

5. The salary of each Minister of State, being a member of the Queen's Privy Council for Canada, who presides over a Ministry of State is $15,000 per annum.

—in addition to his regular salary.

• (9:40 p.m.)

In order to prove to what extent this legislation is unacceptable, I will quote some statistics. Lately, the government tabled at the request of hon. members the report of the Committee on Parliamentary Salaries and Expenses presided over by Mr. Beaupré. With little or no knowledge of the role of a member of Parliament, this Mr. Beaupré suggested, without any kind of explanation, without demonstrating that a member could deserve it, without any mention at all of the services that a member could render, an increase in salary to $25,000 per year. Several members say that such an action is unacceptable because it does not provide at the same time for increased services.

Mr. Speaker, I wonder what services the Ministers of State will do the Canadian people with the disguised salary increase that the government will give to certain members for performing imaginary duties, unless these are defined for us.

At any event, that $15,000 emolument shown here in the case of a Minister of State is an indirect trick on the part of the government to avoid censure for rewarding certain members, for granting them an increase. Should the government members not agree with that, I invite them to deny it.

I will now bring the discussion on the following point: A Post Office Department will be created under this measure. I have but one word to say about that. We may recall that during the last ten years, the government kept on changing the Postmaster General, almost every moon as the Indians would say. We may recall also the troubles, the problems we had in that department.

Mr. Speaker, it is obvious that the Post Office Department is absolutely necessary. But listening to the minister's speech, we might believe that he can solve all problems.

As for me, I am still puzzled and I still say that this is again the icing on the cake, that it does not remove the poison in the cake because it does not solve the problem.

I should like to come back to the creation of the Department of the Environment. It will be tremendously publicized, with special emphasis on the battles it is

going to fight, but all things considered, we all know that this will not settle the problem.

What will this department do? It will carry out studies, it will set up royal inquiries and will appoint commissioners to travel throughout Canada and see by themselves that pollution does exist. Anyway, we already know that it will pay fantastic amounts of money and for what result? To set up such bodies as, for instance, the Textile and Clothing Board which will be practically useless. In any case, the already overtaxed Canadians will have to foot the bill.

Besides, no use waiting for the minister's explanations since his masters, namely the bankers, have already answered on his behalf. The Chairman of the Bank of Montreal has already stated: "Let us deny abundance to all Canadians, let us refuse participation by each Canadian to this country's wealth, let Canadians tighten their belt to pay for pollution".

This is why I am quite sorry that the government keeps on, by all kinds of bills—including Bill C-207—creating departments, eliminating some of them, organizing or disorganizing the administration, appointing secretaries and firing them, granting salary increases, and all this merely to inform the population and put a bandaid on a wooden leg without ever solving the basic problem.

The basic issue is economic. As long as money is not tamed, as long as money has not been put at the service of human beings, as long as this government fails to creat the financial tools for financing those various programs—even if they are good—he will not be able to reach its goals.

This government would have the best laws in the world if it could only afford the necessary financial and fiscal policies to implement these programs which, under the present system, will only contribute to an increase in the private and public debt of Canada and will spread poverty in our affluent country.

It is high time the government stopped introducing new legislative measures designed only to change a few names, to shift a few people, to increase a few salaries or to make a favour to a few civil servants. Let it rather tackle the basic problems, review its financial and fiscal policies, consider new opportunites for Canada to set up a system in which money will serve man and not the other way around, as is now the case.

The governement is proposing to set up a new department to fight pollution but they will have to tell us some day how they intend to finance this program.

The only logical solution for the government is to keep on taxing people. In the meantime, we see the right hon. Prime Minister drop four millions without interest in Indonesia, another million and a half here, another million there. In the meantime, the provincial and municipal debts keep piling up, and so does our national debt.

This war on pollution can only be waged with the co-operation of the provincial and municipal governments which cannot afford it since they are already in debt up to their ears. The public debt of Quebec, for instance, rose by 100 per cent within four years while the public debt of Canada climbed by 40 per cent within three years.

This shows that we are in a serious predicament but we shall not wipe off our debts by plunging head on into new ones.

Mr. Speaker, as members of the Ralliement créditiste, we urge the government to review its positions on money matters and to set up an adequate machinery. The Bank of Canada should serve the Canadian people. The government should take measures aimed at human beings, such as the compensated discount and a national dividend, in order to carry out the only essential reform in Canada, that is an economic reform and respect all Canadian citizens by enabling them to develop normally as they are entitled to.

Finally, I regret that the government should crush the Canadian people, keep ignoring them; at the same time, it messes about changing, setting up, organizing and disorganizing ministries, while distracting the people from the real problem of an economic nature.

I consider that the problem is there and unavoidable. The more we delay coming to grips with it, the more thoughtless bankers, such as Mr. Arnold Hart, will be able to say: The Canadian people will still have to pay. Meanwhile, the banker thrives; he takes advantage of the funds provided by the government. I believe that the war on pollution should start "in the head" of those who make fun of others and only make the problem worse.

Strangely enough, in Canada, the governments protect big finance. A review of the Bank Act takes place every ten years, but nothing is changed; more and more power is given to the banks and to private financial institutions. Thus, the Bank of Canada remains a puppet organization.

Let the Bank of Canada play its full role and, instead of speaking of reorganizing the government as we do in this bill, let us deal with the reorganization of the Bank of Canada, that it might really serve Canadians. Strangely enough, every year a bill on the reorganization of government is introduced in Canada, but no mention is ever made of including the Bank of Canada in this reorganization.

Government members may find my remarks amusing. They may be out of place but, to my mind, this bill is completely off the track. It is not intended to solve any of the problems which now confront Canadians.

This is absolutely ridiculous. It is making fun of Canadian people and still amounts to creating a just society for a small group of men, at the expense of the majority of Canadians.

To conclude my remarks, I can only repeat that as long as the monetary system is not reorganized, all other reorganizations will not solve the problem but on the contrary, they will only be a matter of entertainment for the people and especially the government members.

[*English*]

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, in the few minutes available before ten o'clock I should like to speak briefly about two sections of the bill before us. Part VII deals with public service superannuation. This is the

part which is being followed very closely by many people in the Public Service of Canada today. The bill espouses a new and very important principle, that of voluntary retirement on the part of any employee who has reached the age of 55 and has to his credit not less than 30 years of pensionable service.

• (9:50 p.m.)

It has become clear to me, Mr. Speaker, from the telephone calls and letters I have received in the last few days and weeks that this provision is welcomed and that a number of people are anxious to take advantage of it. Their thinking with regard to the retirement policy has undergone many phases. There was a time when no one thought of retiring at age 55. I suppose in a large number of cases the men and women who are thinking of leaving the public service at that age, after 30 years of contributing to the superannuation scheme, have in mind undertaking another type of activity which will be very useful not only in respect of their mental health but in giving them an opportunity, while they still have the capacity, to do great things and enjoy life to undertake a new kind of career without jeopardizing that which they have built up. I had a call the other day from a gentleman who at 52 years of age had 35 years of pensionable service. He suggested I might consider moving an amendment so that with 35 years of service he could retire at age 52.

Mr. Speaker, I think what we are trying to do now is a good thing. I would not propose at any stage that we try to go beyond the standard which is spelled out. I am aware of a number of very difficult retirement cases. Among the most difficult are those involving contributors to other schemes which have an early retirement age. I think particularly of the armed forces of Canada. I had the case of a gentleman who had retired from the naval service of Canada at age 39. His concern was that he was not permitted under the Superannuation Act to build up many additional years of contribution. He had 20 years of naval service and retired at age 39. He was permitted only to build up another 15 years contribution under the Superannuation Act. He felt this was an injustice. He was willing, capable and, presumably, encouraged by his department to stay on the job and proposed to stay there until at least age 60 if he could improve his pension rights by so doing.

We must bear in mind that in spite of the very good provisions this government has provided for persons who retire, the provisions are still very modest. Persons who retired 15 years ago find they cannot in any way compete with the tremendous increase in the cost of living. I hope that the committee in looking at a number of the technical provisions of part VII will be able to review other cases of hardship which might be brought to their attention in respect of pension schemes. We are anxious to do the right thing; we want to treat our employees fairly. The government of Canada is in this connection breaking new ground and is doing the kind of thing of which I am sure all of us are proud.

I should like to say a word or two about part I of this bill. It creates a Department of the Environment. The gentleman who is to be designated as minister of this

department is presently in the House. He will be the lead-off speaker in the debate tomorrow. He will make a statement which I am sure will be welcomed by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), who said he was looking forward to the remarks of the minister who will be responsible for the department of the environment.

I hope that the minister, who will occupy the new building in the sister city of Hull, on the other side of the Macdonald-Cartier bridge, will take an interest in the immediate environment of the national capital region. As a member representing this area, I have felt from time to time that there is a great deal to be done in our own back yard within the national capital region. A great deal could be done by way of a determined attack upon the polluting factors which have so obviously affected the environment of our great national capital.

Mr. Douglas (Nanaimo-Cowichan-The Islands): There is a job to be done on the Ottawa River.

Mr. Francis: That is precisely the first place to start. Assistance must be given to the city of Hull in the development of its primary, secondary and tertiary treatment facilities, and to the city of Ottawa in respect of its secondary and tertiary facilities in order that one of the truly magnificent rivers of this continent might be restored to a degree of the purity it knew in years gone by. The fact is that those of us who live in the capital city know that when the wind blows from the east, the kraft mill at Thurso is changing its process, because there is very obviously air pollution.

The fact is that the sulphur-dioxide droplets that form under certain adverse weather conditions have had their eroding effect upon the very stones of these buildings, as anyone who is familiar with maintenance problems could demonstrate and explain quite clearly. But I am confident there is an aroused community conscience, an aroused awareness of pollution problems as well as a contribution by the words which are commonly heard in day-to-day speech, in every issue of every newspaper, on the television screen and wherever we go. We talk today about ecology, about the biosphere and about pollution. These are words which have come into very recent use in our language.

I am confident the minister who will have these responsibilities is one of the most capable persons who could be chosen for the job. There is no question that he has a job to do. I hope he will look at the problems of air pollution, water pollution and even soil pollution, and that the national capital region will be one of the first places to receive his attention. In that way the cities which have not yet developed within this region, the very necessary treatment of human sewage and control of industrial waste, will have the encouragement, inducement and active support of a ministry of this government which I am sure has a very significant role to play in creating the kind of environment in which we hope to live.

Mr. Speaker, I believe it is now ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

EXTERNAL AFFAIRS—SALE OF ARMS BY FRANCE TO SOUTH AFRICA—CANADIAN POSITION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, yesterday I inquired of the Secretary of State for External Affairs (Mr. Sharp) concerning the apparently well-founded reports of new, large French sales of military aircraft to South Africa. Recalling that the Prime Minister (Mr. Trudeau) had recently referred to the South African area as a potential Viet Nam, I asked what representations the government had made to the French government on this very important matter.

It was my impression that this country was resolutely opposed to trafficking in military arms; we have heard many proclamations by members of the government along these lines. Certainly the British Prime Minister and government learned by letter and otherwise about our viewing with alarm the proposed sale of military supplies to South Africa under the Simonstown agreement. I do not suggest that strong expression of views within the Commonwealth membership is improper or inappropriate, although the handing of the famous letter from Prime Minister to Prime Minister was something less than thoughtful diplomacy.

But it is not thoughtlessness that I complain about in the minister's answer. I am appalled at the distinction he made when he confessed that this government had not made representations to France against the sale of arms to South Africa. Only to Great Britain had such representations been made. These were made, in the minister's words, on the basis of "trying to avoid a rupture in the Commonwealth". I have no hesitation in proclaiming my belief that the Commonwealth is a valuable international institution, the breakup of which would not be a contributor to world peace. But, surely, trafficking in arms can be judged in a more direct and explicit way than by checking the international membership of the country engaged in this practice. Are we to believe that the sale of naval frigates by Great Britain is a more serious threat to world peace than the sale of 100 Mirage jets by France?

• (10:00 p.m.)

If the Canadian government sincerely believes that arms sales threaten world peace, they should say so, regardless of what state is playing the role of merchant of death. Latest statistics indicate that only the Soviet Union and the United States export more military equipment than France. But not a word, not even a letter, has been exchanged. We read about improving relations between Paris and Ottawa—and if anyone can help the cause, our most excellent ambassador can. Canada and France are charter members of the United Nations. We are in the Francophonic organization, and while that body is seized of cultural and technological issues, surely it should allow for freedom of expression on a bilateral basis on a matter of such frightful urgency.

The Secretary of State (Mr. Pelletier) was in Paris recently. He is a very important minister. Could he not have advised the French government about Canada's long-standing opposition to arms sales? It is hard to believe that this government can give its thoughts no tongue except when conversing with Whitehall. I hope the government will muster its courage and tell France, as it told Britain, that we view military merchandising as a deterrent to peace-making. I would not like it to appear that all the talk in the Far East recently about purity, and all the protestations, are mere hypocrisy. I hope we may soon hear of some consistency in respect of this very grave and frightening matter.

[*Translation*]

Mr. André Ouellet (Parliamentary Secretary to the Secretary of State for External Affairs): Mr. Speaker, while listening to the hon. member's remarks, I was wondering whether he was giving more importance to the sale of arms to South Africa than to the Commonwealth itself. Perhaps the translation was not accurate. This might be a thought that crossed his mind following a question that he asked also last week concerning the future of the Commonwealth and the possible withdrawal of Canada from it. That question had been transferred by the Speaker for debate at ten o'clock. I came here but the hon. member did not show up. Then, I asked myself if he had not completely forgotten his love affair with the Commonwealth and, listening to him tonight, I am inclined to ask if he has really abandoned all the respect and the love he had for the Commonwealth.

At any rate, Mr. Speaker, in brief I believe the hon. member's question should be dealt with in two ways: on the one hand, there can be no doubt of any kind as to the Canadian government's quite clear and straightforward stand on the sale of arms to South Africa. The Canadian government clearly expressed on several occasions its opposition to such a sale and the minister informed the House, in answer to the hon. member's question, that Canada has repeatedly expressed this point of view at the United Nations.

In regard to apartheid, I clarified the Canadian government's position during a debate at the United Nations General Assembly on December 8 last when I expressed the hope that all member countries, including of course France and all the other countries which sell arms to South Africa, would abide by this embargo.

The second point I would like to deal with concerns the hon. member's question: why did Canada not make direct representations to the French authorities. I wonder why the hon. member blames France rather than other coun-

tries, for France is of course not alone in selling arms to South Africa. And it seems curious to me that the hon. member casts the blame only on France this evening and that he does not ask us why we did not also make direct representations to other countries and why we made some only to Great Britain. Of course, we made some to Great Britain, because the Commonwealth conference was to be held and we feared that the course that the British government was about to follow would blow up the Commonwealth.

INDIAN AFFAIRS—NATIONAL PARKS—QUEBEC—DEVELOPMENT OF PARK IN ST. MAURICE VALLEY—CONSTRUCTION OF SKI CENTRE IN SAINT GÉRARD

Mr. René Matte (Champlain): Mr. Speaker, the question directed to the hon. Minister of Indian Affairs and Northern Development on January 20, 1971, challenges the responsibility of the minister with respect to the decision made by government experts concerning the access road to the national park in the St. Maurice Valley.

Therefore, it is important and indeed urgent that this matter be cleared up and that the minister dispel our doubts.

The Mauricie daily, *Le Nouvelliste*, suggested a fortnight ago that the Minister of Indian Affairs and Northern Development, and member for Saint-Maurice, could well be more or less directly involved in a conflict of interests in connection with the access road to the Mauricie national park and to a proposed ski centre.

The minister was roused to indignation and claimed that there were no grounds for these "charges or innuendoes". We take his word for it, but so as to remove any doubt as to his integrity, I think he should give straight answers to the following questions:

Can we establish a relation between the trip to Hawaii, the ski resort in St. Gérard and the entrance to the national park?

Did the minister actually go to Hawaii? Why did he come back. Did he know that two businessmen from the St. Maurice valley were there?

Can the minister say whether he knew about the ski centre in St. Gérard and did he take part in any way in this scheme?

Has the minister frequent contacts with these businessmen?

How can the minister explain that these businessmen are taking options on land in St. Gérard when it is a well-known fact on the one hand that the entrance to the national park could be of benefit to their enterprise and on the other hand that the location of this entrance is not yet publicly known?

Can the minister say whether he knew about the ties between these businessmen who are investing large amounts of money there and the possibility that they may benefit from the location selected for the park entrance location?

[Mr. Ouellet.]

Has the minister discussed with Mr. Matteau, for instance, the possibilities as to the location of the national park's entrance?

Has the minister heard of a brief suggesting that the park's entrance be at St. Gérard? Is it true that a departmental officer said to the person who submitted the brief: "Forget it, everything is settled?"

Is the minister in touch with Mr. Guy Suzor?

Finally, which is the most likely entrance location for that national park?

Mr. Speaker, the St. Maurice valley people would like answers to all these questions.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I think my hon. friend read *Le Nouvelliste* a little late, because if he had read it last Tuesday, he would have found out that *Le Nouvelliste*, in which the same questions were asked, was satisfied with the answers I gave that, first of all, the entrance to the park was not known and would not be for some time, that the ski centre in question is far from the park and, secondly, that the people who wanted to invest money in the St. Maurice Valley had asked me whether the federal government would help them. And I told them that the federal government did not have any program to do so.

But if investors in that project had been Americans, they would have been invited to City Hall for a cocktail and to sign the Golden Book. But since those people were French Canadians who wanted to risk a few dollars for the welfare of the population and to create a few winter jobs, questions were raised.

Mr. Speaker, I answered the following day, in its editorial page, *Le Nouvelliste* stated in an article entitled:

NO REASON TO DOUBT MR. CHRÉTIEN

Mr. Chrétien was not long in reacting when he stated that the "charges or innuendoes" contained in the said articles were baseless. The member for Saint-Maurice specified "that no decision had been taken concerning the establishment of a national park in the St. Maurice Valley. Nobody has privileged information in that connection. The decision should be taken by the planners of the National Parks Branch and based on technical considerations."

In addition, the Minister stated that "there was no relation and there will never be any choice made between the establishment of the park and the project of a ski centre in the Saint-Gérard-des-Laurentides area."

That restatement should put an end to the debate. We have no valid and serious reason to question the word of the hon. member for Saint-Maurice. A doubt has been raised and Mr. Chrétien answered in all honesty.

Besides, Mr. Jean Chrétien has been in politics for about ten years and never have his honesty and integrity been questioned once. Prime Minister Pearson had recognized the qualities and qualifications of the hon. member for Saint-Maurice by appointing him Minister without Portfolio in 1967.

He eventually became Minister of National Revenue.

—The next year, Mr. Trudeau appointed him Minister of Indian Affairs and Northern Development.

We must also add that Mr. Jean Chrétien has always been dedicated to his constituency and the Mauricie region.

Probably much more than the hon. member for Champlain, Mr. Speaker. And I continue:

It it truly regrettable that he is today somehow a victim of circumstances. We accept without reservation his explanation for he enjoys respectable credibility based on a spotless record.

Proceedings on Adjournment Motion

Furthermore, Mr. Speaker, I would like to add that I came back before the anticipated date at the request of the House Leader of my party because certain bills concerning my department were to be put before the House.

Motion agreed to and the House adjourned at 10.13 p.m.

23786—36½

HOUSE OF COMMONS

Wednesday, January 27, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

PUBLIC SERVICE

SPECIAL RECRUITMENT OF FRANCOPHONES—ANNUAL REPORT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, yesterday I indicated I would give consideration to the request of the hon. member for Winnipeg North Centre (Mr. Knowles) for unanimous consent to refer the report of the Public Service Commission to the Standing Committee on Miscellaneous Estimates. What the government desires is a full examination of its policy on bilingualism in the Public Service by a committee. Hon. members are likely to find the reference by the hon. member for Winnipeg North Centre unsatisfactory for such a review. However, when the estimates are referred to the standing committees in about three weeks' time, we will undertake to facilitate an examination of this important question through the appearance of the responsible minister and other key witnesses, some of whom, I may add, may not find it possible to testify at a hearing immediately.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, does that mean the minister is denying unanimous consent to the motion I made yesterday?

Mr. MacEachen: Mr. Speaker, in view of the circumstances I have outlined I thought the hon. member would co-operate by withdrawing his motion.

Mr. Speaker: My understanding is that there is not unanimous consent and therefore the motion cannot be put.

* * *

MANPOWER

RIGHT TO INFORMATION ON PERSONS SEEKING EMPLOYMENT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, pursuant to Standing Order 43 I ask for unanimous consent to present a motion on a matter of urgent and pressing necessity. It concerns the public's right to know about a matter of public concern and the denial of that right by a branch of government. Since January 21 Canada Manpower has arrogated to itself the right to refuse to release new statistical data respecting the number of persons who have applied for jobs at various Canada Manpower centres. Today such information is refused to members of this House, members of the press and all other persons whom Canada Manpower wishes to keep in ignorance. With unanimous consent, seconded by the hon. member for Edmonton Centre (Mr. Paproski) I move:

• (2:10 p.m.)

That this House asserts that it is the undoubted right of Members of Parliament, members of the press and all other members of the public to receive upon request current statistical facts respecting the number of persons who are registered with Canada Manpower Centres as seeking employment.

Mr. Speaker: The hon. member for Gander-Twillingate has proposed a motion under the terms of Standing Order 43. This motion, to be put from the Chair, requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. The motion cannot be put.

Mr. Lundrigan: Mr. Speaker, on a point of order, I wonder whether we should give consideration to eliminating from the rules Standing Order 43 because of its obvious ineffectiveness and—

Mr. Speaker: Order, please. I doubt whether this is a point of order. If hon. members are dissatisfied with the operation of any rule a suggestion can always be made that it be reconsidered by the Committee on Procedure and Organization. It might be worth our while to look at this rule. As hon. members know, the application of Standing Order 43 in the House during the last year or so has been rather novel. Standing Order 43 has not normally been used as it has been used during the past year or so. Actually the new method of proposing matters of urgency has supplanted to some extent the former usage under Standing Order 26. It may be that we are putting ourselves into a difficulty in relation to the use of Standing Order 43. I would think that the suggestion made by the hon. member for Gander-Twillingate is a worth while one and perhaps those members of the House who represent the different parties on the committee in question might like to put this matter on the agenda of the committee when they next meet.

Mr. Lang: I rise on a question of privilege, Mr. Speaker. I should like to bring to the attention of yourself and members of the House that the procedure by which the hon. member for Gander-Twillingate raised the question yesterday, then spoke on television and again raised the matter today can mislead not only the House but members of the public.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

An hon. Member: That is just an argument.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker—

Mr. Lang: The hon. member by a brief check with my office could in fact have found—

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker—

Mr. Speaker: Order, please. Perhaps the hon. member would agree that the Chair should listen to what the question of privilege is about. It is difficult for the Chair to determine whether there is a real question of privilege until there has been at least a brief statement to indicate what it is about. I suspect the point the hon. member for Nanaimo-Cowichan-The Islands wishes to make is that there is no question of privilege. This may well be, but I think I should at least briefly hear the minister.

Mr. Lang: Thank you very much, Mr. Speaker. The hon. member for Gander-Twillingate—

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, on a point of order—

Some hon. Members: Sit down!

Mr. Ricard: What is the question of privilege?

Mr. Speaker: Order. The Chair has recognized the minister on a question of privilege. I will see the hon. member on his point of order in a moment.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I want to ask—

Mr. Speaker: Order. The hon. member may ask a question if the minister who has the floor will allow a question.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I am asking Your Honour if—

Mr. Speaker: Order, please. Perhaps the hon. member for Nanaimo-Cowichan-The Islands might indicate whether he wishes to ask a question of the member who has the floor.

Mr. Douglas (Nanaimo-Cowichan-The Islands): No; I wanted to ask Your Honour if notice had been given to Your Honour of the question of privilege?

Mr. Speaker: I may say that no notice has been given to the Chair, but the Standing Order provides that when the question of privilege is one which arises out of debate in the House then no notice is required. It well may be that the question relates to the statement which has just been made, but I cannot judge that until I have heard the minister.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker—

Mr. Speaker: Order, please. I suggest that we proceed in an orderly fashion. The hon. member has raised a point of order. I think I have answered to the best of my ability the point raised by the hon. member. It seems to me we would make some progress in this matter if I were allowed to hear briefly what the minister has in mind. I may then be able to determine whether the minister should be allowed to continue.

Mr. Hees: On a point of order, Mr. Speaker—

Mr. Speaker: Order, please. In fairness to the minister I think he should be allowed to state his question.

Mr. Hees: Mr. Speaker, on a question of privilege—

Mr. Speaker: Order. If the hon. member seeks the floor on a question of privilege I must then point out to him that there cannot be two questions of privilege at the same time. There is now one before the House. The minister has the floor.

Mr. Lang: I may say in passing that this sort of thing makes it obvious that it is necessary to examine Standing Order 43.

Some hon. Members : Oh, oh!

An hon. Member: Sit down, professor.

Mr. Speaker: Order, please. The minister has the floor to state his question of privilege.

Mr. Lang: The hon. member for Gander-Twillingate has raised again a matter to which he referred in public last night, having already raised it in the House. In doing so he has reported hearsay when with the slightest bit of checking he could have found there was no such directive and that the situation simply is that information which is to be given by manpower managers is to be given in an orderly fashion under a directive which has existed since 1968.

Mr. Speaker: Order, please. I must interrupt the minister. Obviously he does not have a question of privilege. The minister has outlined his proposition. I have been as lenient as possible in allowing the minister to refer to what the question of privilege might be. Hon. members know what a question of privilege is. I have reminded the House very often of what in my view constitutes a question of privilege. I would not think that the hon. member personally or members generally have been affected in their right to discharge the business of the nation. I would think that the point raised by the hon. member is not akin to a question of privilege. I do think the matter should not be pursued.

Mr. Lang: I am sorry, Mr. Speaker, but I was coming to my question of privilege which was the basis upon which—

Mr. Speaker: Order, please. I must rule, having heard the minister, that the point he seeks to raise relates to a statement which allegedly was made last night. It is necessary for me to rule that according to our Standing Orders the usual one-hour notice should have been given to the Chair. No such notice was given. If the minister will file notice, perhaps he will be given an opportunity to explain further what the question of privilege might be.

DRUGS

ANNOUNCEMENT OF PROGRAM TO COMBAT NON-MEDICAL USE—INTERNATIONAL CONFERENCE ON PSYCHOTROPIC SUBSTANCES

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, it is my pleasure to announce to hon. members that the Department of National Health and Welfare is inaugurating today a comprehensive national program to combat the non-medical use of drugs which will include extensive research, information, treatment and drug analysis programs.

This co-ordinated approach to the drug abuse problem arises out of continuing departmental studies and careful consideration of the recommendations of the interim report of the Commission of Inquiry into the Non-medical Use of Drugs which was tabled in the House on June 19, 1970.

The over-all program will be co-ordinated by Dr. Aurèle Beaulnes of the department.

Research on the non-medical use of drugs will be conducted jointly by the Department of National Health and Welfare and the Medical Research Council. Participation will be open to all Canadian scientists wishing to expand their research or initiate new projects on the bio-medical, sociological, educational, or other aspects of drug abuse.

• (2:20 p.m.)

The requirement for research was determined by the serious lack of knowledge concerning the effects of psychotropic drugs, especially over the long term. Priorities for research have been established and will be made known to scientists, along with an invitation for them to apply for research support in the various priority areas. All applications received from scientists will be assessed on the basis of merit and relevance to the drug abuse question.

Research will also be encouraged in the fields of epidemiology and sociology in order to further knowledge on the factors that lead individuals to drug abuse.

The recommendation of the Le Dain Commission that the federal government investigate the establishment of regional drug analytical laboratories across Canada has also been approved and amendments to the Food and Drugs Act and the Narcotic Control Act have been passed in order to get these laboratories operational.

The new regulations will permit a physician to receive a sample of a controlled, restricted or narcotic drug from an individual under his professional care and to transmit it for analysis to a scientist authorized to possess the drug for this purpose. This service is of extreme importance to physicians treating drug abuse sufferers, as proper analysis will assist the practitioner to determine the most appropriate treatment for his patient.

The information program will provide Canadians with up to date factual information on drug abuse. The program will be developed in consultation with provincial health and welfare departments and other agencies dealing with the problems of drug abuse. Assistance will also

be provided to provincial programs and, where necessary, to initiate new programs.

The information program will consist of four components: data retrieval, data analysis, information processing and communications.

The department will support a greater number of innovative services designed to meet drug-related social problems. Demonstration grants and other short-term assistance will be provided for experimental programs undertaken by existing or new organizations, some of which will be operated by the young people themselves. These innovative services will include such projects as crisis intervention, rehabilitative and preventative service, detached street work, indigenous counselling, information and referral services, as well as residential treatment centres, work activity programs, employment services and other community development services related to the problems of drug abuse.

Through such innovative programs particular effort will be made to strengthen the ability of families and communities to understand and deal with social conditions that generate youth alienation, drug abuse and other allied problems.

For fiscal year 1970-71, the Department of National Health and Welfare has budgeted a total of more than $400,000 to finance these initiatives. The total amount forecast in the next fiscal year for the over-all program is $4.5 million.

In addition, I should point out that under the Canada Assistance Plan the federal government is sharing in the cost of a wide range of welfare and rehabilitative services, many of which are directly related to the prevention and treatment of social problems associated with the misuse of drugs. It is my hope that the provinces will make greater use of the sharing provisions of the plan. I will discuss this matter with the provincial ministers of welfare this week.

Further details regarding application for grants for research under this program and for further information will be brought to the attention of interested researchers.

As hon. members are aware, a plenipotentiary conference on psychotropic substances is currently under way in Vienna, Austria. Sixty-two nations and a number of international agencies are participating in the deliberations.

The conference has been called on recommendation of the United Nations Commission on Narcotic Drugs which drafted a protocol on psychotropic substances at its meeting last year. This protocol envisages international and national controls on psychotropic substances which are liable to abuse, such as LSD, amphetamines, barbiturates and certain tranquilizers.

Canada has taken the position that the international instrument which will result from the conference should provide maximum flexibility in order to take into account present Canadian policy in this area, as well as changes or developments which may occur in the future.

I have received a report from the Canadian delegation and I am pleased to say that many countries share the Canadian view and have emphasized the need to prepare

a protocol which would be acceptable to a large number of states. It is our view that national governments are in the best position to determine the proper procedure to follow under the particular set of circumstances existing within their territories relating to the abuse of specific drugs.

The Canadian delegation is headed by Dr. Maurice LeClair, Deputy Minister of National Health. Canada's alternate delegates are Dr. R. A. Chapman, Assistant Deputy Minister, Food and Drugs; Dr. Aurèle Beaulnes, Coordinator of the Federal Programs on the Non-Medical Use of Drugs; Mr. J. D. McCarthy, Director, Legal Services of my department and Miss Pauline Sprague, Department of Justice. Officials from the Departments of Secretary of State, External Affairs and National Health and Welfare are, as required, acting as advisers to the delegation.

The delegation has not been empowered to sign the protocol. As I have indicated previously, this House will have a full opportunity to review the agreement before consideration is given to its ratification.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, first may I say that I am pleased to learn that no commitment of an international nature will be made without prior consultation with the House. Consequently, apparently no commitment of an international nature will be made which will limit the kind of program and the kind of laws that we may wish to adopt in this country without prior consultation with parliament.

There is no question, Sir, about the urgent need for research, information, treatment and drug analysis programs. If one questioned in one's mind the urgency of this matter before, surely after reading the interim report of the Le Dain Commission one could hardly entertain such doubts.

I must say that I find it difficult to understand why we had to wait for such a long time for an announcement of such a general nature as the minister made today. In fact, it seems to have been prepared at the last minute because, without meaning to give offence, I got my copy as I was entering the House.

Mr. Munro: I thought the hon. member would like to see it.

Mr. Stanfield: I am grateful for the minister's consideration. Although I have had only a few minutes to consider what the minister has said, it is quite apparent that the program announced by the minister ought to mean a good deal and should be designed with a great sense of urgency in mind. It may mean a good deal or it may mean very little. It is very difficult to judge from the minister's statement. For example, the minister said that some $4.5 million will be spent in the next fiscal year. Yet there is no indication as to how this amount is to be broken down and how much is to go for any particular purpose. We only know that $400,000 has been assigned to finance certain innovative programs.

Mr. Munro: That is for this year.

Mr. Stanfield: I beg your pardon, that is for this year. Nevertheless there is absolutely no indication as to how the $4.5 million is to be broken down next year and how much of that amount is to go toward research, toward developing information, toward communication and toward financing innovative programs. Therefore it is a little difficult to understand why it has taken the minister so long to present even this kind of general statement to the House.

In speaking about an information program, the minister is still in the position of having to say that this program will be developed in consultation with provincial health and welfare authorities. Although it is many months since the Le Dain Commission brought down its interim report and many years since the urgency of the problem became apparent, there is no indication that any such program has been developed. I say again that the need is urgent in all these areas.

• (2:30 p.m.)

It is not possible to judge the effectiveness of the minister's proposals on the basis of the information he has given us. I simply say that I hope this announcement represents a determined effort on the part of the government to move ahead in the field of research, information, treatment and drug analysis programs. If it does, I assure the minister that he will receive the full co-operation of myself and my associates as we wish to encourage the government to move forward in a determined way to face this problem in our society which has reached such grave proportions.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the morning newspapers carried a story that the minister would be making a statement today. It is unfortunate that the minister did not make copies of his statement available before the House met so that those who are expected to comment could have given serious study to the matters with which the minister has dealt.

The announcement in the statement is a beginning and we welcome it. However, we are more concerned about what is not in the statement than what is. We are concerned about whether the minister has discussed with the Minister of Justice (Mr. Turner) the changing of those sections of the Criminal Code that deal with drugs. We are also concerned about whether the minister has discussed with the Solicitor General (Mr. Goyer) the role of the Royal Canadian Mounted Police. The RCMP have been carrying on intensive undercover investigations. They have not only encouraged people to use drugs but have encouraged people to give drugs to undercover agents so that these people can be prosecuted for trafficking, not just possession. The RCMP have been acting as agents provocateurs. These matters should have been commented on by the minister but he has not dealt with them.

We are pleased with some parts of the minister's statement. Research into the medical and social effects of the very wide use of drugs is long overdue in this country. If

the government is going to encourage serious research into this matter, we welcome it. We welcome the proposal that doctors will be permitted, encouraged and given the opportunity to submit drugs which they obtain from patients to a research institute which will be able to give information to the doctor with regard to the constitution of a particular drug. I hope the minister has discussed with his colleagues in the cabinet the possibility that the police might be able to go to the doctor concerned and insist on obtaining the name of the person who supplied the drug. If the police can do that, the whole program will immediately fall flat on its face.

An information program based on facts which have been ascertained by experts in the field will be invaluable. I hope it will be an educational program based on facts rather than the kind of exaggerated scare programs and propaganda so prevalent in the past which young people in particular have completely rejected with the result that to a large extent young people no longer listen to anyone who is not in their age group.

It is encouraging to note that the government will sponsor experimental, innovative programs such as drop-in centres where troubled people may go for help. I wish the minister had said that the officials of his department had discussed the problem with the medical profession and the hospitals. Certainly for the first year or two that this program is in effect a large majority of those who have adverse reactions to the use of drugs will go to hospitals as they have done until now. I wish the minister had stated that a program had been worked out with the doctors and hospitals so that it will not be necessary for them to make reports to the police, thereby initiating prosecutions of people who have come to them for assistance. This has happened too often in the past—I know that the minister is aware of this fact—and it ought to have ceased long ago.

We are happy that the representatives of the minister at the international conference on the use of psychotropic substances have made and will make it clear that Canada intends to maintain freedom of action regardless of the decisions or recommendations made at that conference. We are happy that the Canadian government believes that all countries should be free to follow experimental and flexible programs which may lead to new methods of dealing with this problem, because the repressive, regulatory methods used up to now have completely failed.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, the minister sent us the French version of the statement he was to make to the House, and I thank him for it. That may explain the delay in delivering a copy to the spokesmen of the various political parties.

In any event, Mr. Speaker, I think we must applaud idea of launching a comprehensive program in the fight against the non-medical use of drugs.

This measure will also entail extensive research, information, treatment and drug analysis. The word "extensive" worries me a bit; having had personal experience with research, we know extensive research is a lengthy process. The government recognizes that information is sadly lacking in that field.

Mr. Speaker, I feel that so much has been said to date on the use of drugs, especially among the young, that there is no reason why the government should lack knowledge or information on that matter. We arrived much too late to undertake a fight against the use of drugs, and the minister says that the program will encourage research in the fields of epidemiology and sociology in order to further knowledge on the factors that lead individuals to drug abuse.

Mr. Speaker, I wonder if the government took time to think about it. We know that today many young people are drug users. Why? Because they have nothing to do; they are out of work. It has been thought at one point that the use of drugs helped them forget the bad administration of which they were victims, but it is not so. We found out the use of drugs encouraged them to revolt against government measures that did nothing to help them.

Mr. Speaker, the information program will consist of four components: data retrieval, data analysis, information processing and communications. I feel that there is nothing to say against these points of the program. However, I would blame the government for neglecting to fight the underworld which gains enormously from the sale of drugs in high schools to young people of 12, 13 or 14 years of age. I think, Mr. Speaker, that if the R.C.M.P. would go to the trouble of investigating this matter, it would be easy enough to expose those who are selling drugs to youngsters. Up to now, it seems that nothing has been done and no useful recommendation to that effect is included in the program.

In his press release, the Minister states that, through such innovative programs particular effort will be made to strengthen the ability of families and communities to understand and deal with social conditions that generate youth alienation. The first thing is to prevent them from obtaining drugs illegally, as is the case at the present time.

The minister also expresses the hope that the provinces will take advantage of these shared-costs programs. I know that some provinces will cry shame because they may not have the means required to initiate other fights against such things.

The federal government introduces programs that require the co-operation of the provinces, without prior consultation. I suggest that the views of the provinces should have been asked for before this program was announced.

In conclusion, Mr. Speaker, I wish to point out to the minister that, in a related field, that of alcoholism, for example, the government collects each year millions of dollars in excise taxes and spends only $14,000 annually to fight this scourge. If the fight against drug abuse is carried out in similar fashion to that against the abuse of alcohol, we can expect a colossal failure.

Questions

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CNR—PENSIONS, RETIRED EMPLOYEES

Question No. 73—**Mr. Knowles (Winnipeg North Centre):**

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

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

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

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: The information shown being as of December 31, 1969. 1. Number of pensioners receiving less than $25 a month, 465.

2. Number of pensioners receiving $25 a month, $2,092.

3. Number of pensioners in receipt of pensions of: (a) $25.01 to $29.99 a month, 538; (b) $30.00 to $39.99 a month, 1,079; (c) $40.00 to $49.99 a month, 878; (d) $50.00 to $59.99 a month, $838; (e) $60.00 to $69.99 a month, 749; (f) $70.00 to $79.99 a month, 802; (g) $80.00 to $89.99 a month, 841; (h) $90.00 to $99.99 a month, 964; (i) $100.00 to $124.99 a month, 2,361; (j) $125.00 to $149.99 a month, 2,190; (k) $150.00 to $199.99 a month, 3,664; (l) $200.00 to $299.99 a month, 5,022; (m) $300.00 and over, 3,167.

In a number of cases the amounts of pensions paid by Canadian National Railways do not represent the total pensions payable to employees for railway service. Pensions payable by the CNR to international employees (service in both Canada and the United States) relate to their service in Canada only. Such employees also receive annuities payable under the U.S. Railroad Retirement Act or the Social Security Act for service performed in the United States. For example, in the group receiving pensions of under $25 from the CNR, there are sixty-seven former international employees who also receive U.S. Railroad Retirement or Social Security annuities in respect of CNR service rendered in the United States. The balance of this group consists of employees who elected early retirement (before age 65) with reduced basic ($25) pensions, and employees who had very short service and small contributions.

CNR—PENSION FUNDS

Question No. 74—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money on the books of the pension funds of the Canadian National Railways as at (a) December 31, 1968 (b) December 31, 1969 (c) December 31, 1970?

2. What rate of interest was earned on these funds during (a) 1968 (b) 1969 (c) 1970?

3. What amount of interest was credited to these funds during the years ending (a) December 31, 1968 (b) December 31, 1969 (c) December 31, 1970?

4. What amount of money was added to these funds from employee contributions during the years ending (a) December 31, 1968 (b) December 31, 1969 (c) December 31, 1970?

5. What amount of money was added to these funds as regular or current contributions by the Canadian National Railways during the years ending (a) December 31, 1968 (b) December 31, 1969 (c) December 31, 1970?

6. What amount of money was added to these funds in any other way by the Canadian National Railways during the years ending (a) December 31, 1968 (b) December 31, 1969 (c) December 31, 1970?

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

8. What was the total amount paid out of the above funds in pensions during the years ending (a) December 31, 1968 (b) December 31, 1969 (c) December 31, 1970?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: 1. The total amounts of the investments, cash and other current assets in the books of the Pension Trust Funds were: As at 31 December 1968, $743,321,106; as at 31 December 1969, $789,349,551; as at 31 December 1970, not yet available.

2. To calculate the yield we have used the Dominion Bureau of Statistics formula and the information requested in questions (1) and (3). Under this formula, the investment is deemed to be: Opening Investments etc. plus Closing Investments, etc. less Earnings. On this basis, the yield is: 1968, 5.65 per cent; 1969, 5.61 per cent; 1970, not yet available.

3. Net earnings on investments of the Pension Trust Funds were: Year ended 31 December 1968, $39,214,027; year ended 31 December 1969, $41,835,484; year ended 31 December 1970, not yet available.

4. The amount of money added to these funds from employees' contributions were:

	Employees' Contributions	Refunds	Net
Year ended 31 December 1968	$26,666,570	$5,629,055	$21,037,515
Year ended 31 December 1969	27,663,135	4,759,081	22,904,054
Year ended 31 December 1970		not yet available	

5. The amount added to these funds as regular or current contributions by Canadian National Railways was: Year ended 31 December 1968, $41,304,672; year ended 31 December 1969, $31,297,991; year ended 31 December 1970, not yet available.

6. Payments by Canadian National Railways against the initial Unfunded Liability in accordance with the Pension Benefits Standards Act: Year ended 31 December 1968, $3,576,750; year ended 31 December 1969, $326,422; year ended 31 December 1970, not yet available.

7. As at 31 December 1969 Canadian National Railways owed the funds $1,518,430. This represents the normal monthly clearance paid off in January 1970 arising from Company and employee contributions less pensions paid and refunds.

8. Total amounts of the pensions paid out of the Pension Trust Fund were: Year ended 31 December 1968, $46,065,616; year ended 31 December 1969, $50,335,506; year ended 31 December 1970, not yet available.

NATIONAL AIRPORTS PLAN

Question No. 232—**Mr. McCleave:**

1. What steps has the Department of Transport taken with regard to the development of a National Airports Plan?

2. When is such a plan likely to be completed?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. A team has been formed and is presently working on this project.

2. The team's first report on this subject is scheduled for completion next Spring. It will provide a preliminary Plan as well as the basis for the on-going development and updating of a viable National Airport Plan.

SALE OF HYDROELECTRIC POWER BY QUEBEC TO THE UNITED STATES

Question No. 276—**Mr. Saltsman:**

1. Has the Government of Quebec under Premier Robert Bourassa undertaken any discussions with the Government of Canada regarding the sale of hydroelectric power from Quebec to the United States and, if so (a) what has been the nature of the discussions (b) has there been any reference to a hydroelectric project on James Bay?

2. What has been the decision of the Canadian Government regarding the sale of this hydroelectric power?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Energy, Mines and Resources and the Department of External Affairs as follows: 1. No.

2. Not applicable.

DISCONTINUANCE OF WAR CLAIMS COMMISSION

Question No. 446—**Mr. Hales:**

1. Has the government recently given or is it now giving consideration to discontinuing the War Claims Commission?

2. When was the War Claims Commission established?

3. Who is the Chairman of the War Claims Commission and what is his salary?

4. Who are the other members of the War Claims Commission and what is the salary of each?

5. Are any of the members of the War Claims Commission in receipt of government pensions?

Questions

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. The Commission completed its assignment in December 1959 and ceased its active operations at that time.

2. October 23, 1952.

3. The Hon. Thane A. Campbell, Chief Justice of Prince Edward Island was appointed Chief War Claims Commissioner. He was paid actual travelling and living expenses while absent from his place of residence, but no salary.

4. The Hon. Mr. Justice James Hyndman, the Hon. Mr. Justice Henry I. Bird, the Hon. Mr. Justice Fernand Choquette, His Honour Judge C. St. Clair Trainor, His Honour Judge Camille W. A. Marion, and Mr. James Francis, Q.C., served from time to time as Deputy Commissioners. Mr. Justice Hyndman was paid at the rate of $40 a day, not to exceed $8,000 in the first year or $8,400 in subsequent years. Mr. Francis was paid $3,000 per annum. The others were reimbursed for their expenses only.

5. N/A.

*FEDERAL ASSISTANCE TO FRONTIER COLLEGE AND CYC

Question No. 456—**Mr. Dinsdale:**

1. (a) How much financial assistance has the federal government provided annually to Frontier College each year since 1960 (b) which department or departments provide the grant?

2. What has been the annual grant to the Company of Young Canadians since its inception?

3. To foster the outstanding work of the Frontier College program, is the government considering increasing the annual grant?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I have had some conversations with the hon. member who posed this question, and since the reply is rather lengthy he has agreed that the reply be tabled but recorded in *Hansard* as if it had been read.

Mr. Dinsdale: Mr. Speaker, the parliamentary secretary's information is correct. Inasmuch as I have been waiting for this reply since November 17, I would insist that it be printed in *Hansard.*

[*Editor's Note: The text of the answer follows*]

Mr. Jerome: I am informed by the Departments of Labour, Manpower and Immigration, and Secretary of State as follows:

1. (a) and (b) Department of Labour: $10,000 each year from 1960 to 1968, inclusive. $5,000 each year from 1969 and 1970. Department of Manpower and Immigration: In the fiscal year 1970-71, $20,000.

2. Payments to the Company of Young Canadians since its inception have been as follows: 1966-1967, $893,908; 1967-1968, $2.4 million; 1968-1969, $1.9 million; 1969-1970, $1.9 million.

3. Beginning with the fiscal year 1971-72, the Department of Manpower and Immigration will assume sole responsibility within the federal jurisdiction for federal

grants to Frontier College. Some financial support of an indirect nature can also be given in the form of purchases, by the department, of training and research services under the Adult Occupational Training Act. In this connection, the department has had many discussions with the provinces and with Frontier College in an attempt to increase such purchases, which under the law require provincial concurrence. Purchases have been relatively small, mainly for the reason that provinces consider that they can supply the training required through provincially operated institutions.

CUSO—MESSRS. RICHARD WILLIAMS AND HUGH WINSOR

Question No. 491—**Mr. Robinson:**

Are Messrs. Richard Williams and Hugh Winsor presently employed by the government as members of CUSO and, if so (a) for how long have they been so employed (b) where have they been employed (c) what are their duties (d) how much have they been paid (e) do they in any way represent government policy?

Hon. Mitchell Sharp (Secretary of State for External Affairs): In so far as the Canadian International Development Agency is concerned the answer is: Messrs. Richard Williams and Hugh Winsor are not employed by CUSO, nor are they by this Agency.

NEWFOUNDLAND—AIRPORT FACILITIES

Question No. 494—**Mr. Carter:**

Does the Department of Transport have plans to reactivate airport and landing facilities at Argentia, Newfoundland as an alternate airport for Newfoundland's East Coast and, if not, for what reason?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): No. The Department of Transport operates and maintains the airports at St. John's (Torbay) and Gander which are available for the air carriers operating in this area. Carriers engaged in regular scheduled domestic flights to Newfoundland and those engaged in Trans-Atlantic operations have not stated an operational requirement for Argentia as an alternate airport. In addition, Argentia is not equipped with the necessary instrument landing aids both non-visual and visual, terminal facilities or facilitation services such as customs, health, immigration etc. The number of aircraft using facilities and services which would be required for alternate airport purposes could not justify the high costs involved.

POLLUTION—EXHAUST EMISSIONS

Question No. 499—**Mr. Mather:**

In efforts being made or studied towards reducing motor vehicle exhaust pollutants, is consideration being given to converting carbon monoxide to carbon dioxide by the use of manganese dioxide?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Motor Vehicle Safety Act provides authority to establish standards limiting the levels of various pollutants emitted from motor vehicle exhausts. Consequently, Department officials, in cooperation with experts of the Department of National Health and Welfare and other Federal Government laboratories concerned with fuels and engine design, are monitoring all developments which may make possible reductions in emission levels. The Department is aware that manganese dioxide is being used as a fuel oil additive to reduce smoke. In addition, manganese dioxide is one of a large number of available oxidation catalysts which may be considered for use in reducing emissions from motor vehicle engine exhausts.

REMOVAL OF PAGES FROM SPECIAL "FOREIGN TRADE" SUPPLEMENT

Question No. 512—**Mr. Crouse:**

For what reasons were pages 1 and 2 removed from the Special "Foreign Trade" Supplement between Canada and China, as issued by the Department of Industry, Trade and Commerce in October, 1970, when the issue was forwarded to Members of Parliament?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Pages 1 and 2 of the special "Foreign Trade" supplement published following the establishment of diplomatic relations between Canada and the People's Republic of China were removed when it was discovered that information they contained might have been misleading unless supplemented with additional material which, if added, would have required reprinting. Rather than destroy the issue in favour of reprinting, thereby retarding distribution of important trading information to the Canadian business community and incurring additional costs, it was decided to delete the pages from all copies.

EMPLOYMENT OF DOUGLAS ANGLIN BY FEDERAL GOVERNMENT

Question No. 513—**Mr. Robinson:**

Has Mr. Douglas Anglin of Carleton University ever been employed or engaged, in any capacity, by or on behalf of the federal government and, if so (a) how (b) for how long (c) what remuneration, if any, was paid to him for services rendered?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): No. (a) Not applicable. (b) Not applicable. (c) Not applicable.

EFFECTS OF BRITAIN'S ENTRY INTO EEC ON CANADIAN AGRICULTURAL EXPORTS

Question No. 528—**Mr. Mazankowski:**

Has a study been made by the government concerning the effects of Great Britain's entry into the EEC on Canadian agricultural exports and, if so, are projected details available?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Government has under continuing review the possible effects of Britain's entry into the EEC on all Canadian exports, including agricultural products. Any projections that are made at this time are necessarily tentative, as the final terms of access for Canadian agricultural exports to Britain and the EEC depend both on the outcome of the current negotiations and on the evolution of the common

agricultural policy of the community. The net results for our trade of these concurrent developments, the extent and timing of which are not yet known, cannot of course be measured in detail at this stage. In his recent statement to the House, however, the Minister of Industry, Trade and Commerce reported on the general implications for Canadian exports of United Kingdom entry into the EEC including particular reference to the situation confronting our agricultural exports and gave a detailed outline of possible changes in terms of access for Canadian products.

(a)	(b)	(c)	(d)	(e)	(f)
The St. Lawrence Seaway Authority	To finance municipal acquisition of surplus land.	Longueuil	1968—$1,061,601	5¼%	40 years
"	"	Ville Brossard	1969—$ 226,667	8¾%	7 years

CLEANUP OPERATIONS OF OIL SPILL FROM "ESSO KOBE" IN GASPÉ

Question No. 547—**Mr. Anderson:**

1. What chemicals were used during the cleanup of the oil spill from the *Esso Kobe* during October, 1970, in the Gaspé?

2. Was the use of such chemicals approved of by the Department of Transport officials prior to their use?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. The chemical Corexit 8666 was used by Imperial Oil during the cleanup of the oil spill caused by the *Esso Kobe* in October, 1970, in the Gaspé. Nine hundred gallons of this dispersant were sprayed onto the surface of the oil spill only, and covered with peat moss. The resultant emulsion was absorbed and recovered successfully from the water surface.

2. Prior approval for the use of dispersants was not granted by the Department of Transport in this case. The Department policy is that dispersants may be used with due care, when a threat of fire exists and there is a possible hazard to existing amenities.

INDUSTRY, TRADE AND COMMERCE—MAN-HOURS SAVED AS A RESULT OF USE OF COMPUTERS

Question No. 552—**Mr. Robinson:**

How many man-hours have been saved as a result of the utilization of computers by the Department of Industry, Trade and Commerce during each year since computers have been used?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Department of Industry, Trade and Commerce estimates man-hour saving as follows: 1965/66, 62,260 man-hours; 1966/67, 244,300 man-hours; 1967/68, 296,162 man-hours; 1968/69, 304,555 man-hours; 1969/70, 342,962 man-hours; 1970/71, 349,916 man-hours. Savings are based on actual computer output plus the computer output scheduled for the remainder of fiscal year 1970/71, compared with the same volume of output using the previous equipment. It is worth noting that the much greater volume of output by the computer was not economically feasible using the previous equipment. Prior to fiscal year 1969/70 all savings, and for the last two fiscal years about 90 per cent of the savings are attributable to the Canadian Government Travel Bureau.

Questions

FEDERAL ASSISTANCE TO QUEBEC MUNICIPALITIES

Question No. 543—**Mr. Lambert (Bellechasse):**

During each year since 1968, did any departments or government agencies make loans to Quebec municipalities and, if so (a) which ones (b) for what purpose were the loans made (c) to what municipalities (d) what were the amounts (e) what was the rate of interest (f) for what period of time?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Yes, the St. Lawrence Seaway Authority.

INTERNATIONAL AIRPORTS—AIR CONDITIONING

Question No. 560—**Mr. Forrestall:**

1. What levels of temperature and humidity, over what duration or occurring at what frequency, are required before air conditioning can be installed at international airports for (a) the users of such terminals (b) the working staff of Department of Transport or airlines' employees?

2. Have such studies been carried out at the Halifax International Airport and, if so, will the government Table as an "Order for Return" the details of such temperature and/or humidity studies?

3. With respect to airports, is it the responsibility of the Department or the user to pay the capital cost of air conditioning?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. The Ministry's policy limits the provision of mechanical cooling of buildings to those geographical areas where the exterior humidity index exceeds 75 for a period of 3 per cent of the time during the summer season (June, July, August and September). It also permits the provision of mechanical cooling for those areas within buildings where equipment operation is affected by environmental conditions (computers, electronic equipment) or where a temperature build up can result from equipment or other means to the extent that forced ventilation cannot maintain a maximum effective interior temperature of 75°F (as defined in the revised ASHRAE comfort chart) for a period of 3 per cent of the time during the summer months. This policy is applied equally, regardless of the occupancy of specific areas.

2. The Halifax Terminal is located in an area where the humidity index does not reach 75 for a period of 3

per cent of the time during the summer months. Areas in the Terminal Building where equipment protection or where serious heat build up (e.g. Control Tower Cab) would be a problem, have been cooled. There has not been a study of other areas. Indoor temperature and humidity data is collected only when problems are identified. The Ministry is not aware of any request for such studies at Halifax. This data is therefore not available.

3. The policy with respect to terminal building rental rates is to recover the cost (capital and maintenance) for exclusive use space from tenants in the rental rate. Where air conditioning is provided, the tenants have their portion of the cost of air conditioning in the rent for the space.

NUMBER OF UNITED STATES CITIZENS GRANTED IMMIGRANT STATUS SINCE SEPTEMBER, 1968

Question No. 568—**Mr. Chappell:**

1. How many Americans between the ages of 18 and 30 have been allowed landed immigrant status in Canada each month since September, 1968?

2. Does the government have any data on how many Canadians of the same age have been allowed landed immigrant status in the United States during the same period and, if so, how many?

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. United States citizens between the ages of 18 and 30 granted landed immigrant status on arrival:

SEPTEMBER 1968 TO SEPTEMBER 1970

	1968			1969			1970		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
January	—	—	—	215	259	474	352	387	739
February	—	—	—	193	236	429	291	329	620
March	—	—	—	222	256	478	283	298	581
April	—	—	—	196	258	454	380	357	737
May	—	—	—	235	265	500	292	318	610
June	—	—	—	300	371	671	455	387	842
July	—	—	—	336	384	720	456	444	900
August	—	—	—	405	457	862	531	509	1,040
September	403	415	818	482	547	1,029	603	647	1,250
October	480	552	1,032	558	647	1,205	—	—	—
November	301	362	663	418	466	884	—	—	—
December	305	363	668	344	426	770	—	—	—

2. No.

TRANSPORT—PARKING OF INDIVIDUAL LIGHT AIRCRAFT

Question No. 570—**Mr. Forrestall:**

1. Has there been a recent change in policy with respect to the parking of individual light aircraft at Department of Transport airports in Canada and, if so, what is the new policy?

2. What is the Department of Transport policy with respect to light aircraft owners entering into parking agreements with the Department with respect to parking on departmental land?

3. Is outdoor parking available and permitted for individual light aircraft at Montreal International Airport, St. Hubert Airport, Toronto International Airport, Halifax International Airport, Winnipeg International Airport, Calgary International Airport and Vancouver International Airport?

4. What is the current policy with respect to directions to visiting light aircraft at our larger airports with respect to short period parking, overnight parking and for periods up to one week?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. There has been no change in policy with respect to aircraft parking at ministry airports.

2. At an airport where land commercial planning and utilization permits, land can be leased on a short term basis for parking of an aircraft.

3. Outdoor parking is available and permitted as follows: A private aircraft weighing 5,000 pounds or less may park free of charge for a 24-hour period at the international airports listed, but at the St. Hubert Airport such an aircraft may park free of charge beyond the 24-hour period when the aircraft is parked in an area set aside and marked by the officer in charge of the airport as a free parking area. Any aircraft weighing more than 5,000 pounds parked in excess of six hours at any of the airports listed is assessed a parking fee as follows: For each 10 square foot unit of area or portion thereof (a) per day, $ .01; (b) per week, $ .06; (c) per month $ .20; (d) per year $1.20. Minimum parking charge per day or any part thereof in excess of six hours, $1.00. Occasionally due to heavy aircraft traffic it may be necessary to direct aircraft to a fixed base operator for parking accommodation.

4. At airports with control towers aircraft are directed to designated parking areas by the tower staff. Arrangements for long term parking are subsequently made with the airport operations staff. At airports without control towers aircraft taxi to the terminal area and if necessary are then directed to designated parking areas.

FEDERAL ASSISTANCE TO UNDERDEVELOPED COUNTRIES 1968-1969

Question No. 586—**Mr. Lambert (Bellechasse):**

1. What was the amount of money spent by the government through the United Nations during the years 1968 and 1969 as contributions of assistance to underdeveloped countries?

2. What proportion of such assistance was given under the heading agriculture or agricultural products?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The answer, in so far as CIDA is concerned, is:

	1968-69	1969-70
1.	$23,635,000	$34,585,000
2.	48.5 per cent	55.7 per cent

INTERNATIONAL AFFAIRS—REPRESENTATIONS BY MR. CRANFORD PRATT

Question No. 596—**Mr. Robinson:**

Will the government advise if the representations made by Mr. Cranford Pratt before the Standing Committee on External Affairs and National Defence have influenced its policy towards Rhodesia or any other African nation?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The Government receives representations from many individuals or organizations who are interested in international affairs. It is not possible to identify the specific influence which any particular individual or group may have on Government policy.

INTERNATIONAL AFFAIRS—REPRESENTATIONS BY MR. CLYDE SANGER

Question No. 621—**Mr. Robinson:**

Will the government advise if the representations made by Mr. Clyde Sanger before the Standing Committee on External Affairs and National Defence have influenced government policy towards Rhodesia or any other African nation?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The Government receives representations from many individuals or organizations who are interested in international affairs. It is not possible to identify the specific influence which any particular individual or group may have on Government policy.

RHODESIA—THREAT TO WORLD PEACE—CANADIAN POSITION ON MEMBERSHIP IN UNITED NATIONS

Question No. 624—**Mr. Robinson:**

Does the government consider Rhodesia as a threat to world peace and (a) if so, in what way (b) if not, will the government consider supporting a Rhodesian application for entry into the United Nations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): In 1968 the Security Council, of which Canada was then a member, passed unanimously a resolution which contained a reaffirmation of the Security Council's determination that the situation in Southern Rhodesia constituted a threat to international peace and security. The basis for the Canadian support of this resolution was the Government's appreciation of the situation following upon the unilateral declaration of independence by the minority regime in Rhodesia. Since Canada does not recognize Rhodesia as an independent state, the Government would not support a Rhodesian application for membership in the United Nations.

Questions

RECOGNITION OF RHODESIA AS INDEPENDENT STATE

Question No. 629—**Mr. Robinson:**

Does the government recognize Rhodesia as an independent state and, if not, for what reason?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Canada does not recognize Rhodesia as an independent state. The Government regards the unilateral declaration of independence by the minority regime as illegal.

AIRPORTS—OTTAWA AND REGINA

Question No. 630—**Mr. Skoberg:**

1. (a) Have any plans been initiated for the providing of enclosed passenger ramps at the Ottawa International Airport (b) is such a proposal being given active consideration?

2. Are plans being made to provide for a cocktail lounge at the Airport in Regina, and (a) if so, when will construction start (b) if not, is it being considered for the immediate future?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. (a) No. (b) proposal is currently under review.

2. No plans are being made specifically for a cocktail lounge at this time. (b) Terminal building expansion is tentatively considered for fiscal year 1973-74, at which time the matter of the cocktail lounge will be given due consideration.

SUPPORT OF REQUEST BY RHODESIA TO BE HEARD BEFORE SECURITY COUNCIL

Question No. 666—**Mr. Robinson:**

Will the government support a request by Rhodesia to be heard before the Security Council of the United Nations during the present session and, if not, for what reason?

Hon. Mitchell Sharp (Secretary of State for External Affairs): It is the prerogative of the Security Council to decide who may appear before it. Canada is not at present a member of the Council. Presumably any hearing for Rhodesians would be in conformity with Rule 39 of the Security Council Rules of Procedure which stipulates that the Council may invite persons considered competent to supply it with information or to give other assistance and that they would only be heard as individuals, not as representatives of a state which no member of the United Nations recognizes.

PUBLIC DEBT AND INTEREST PAID DURING FISCAL YEAR 1969-70

Question No. 687—**Mr. Rodrigue:**

1. What was the public debt at the end of the fiscal year 1969-70?

2. What was the interest paid on the public debt during the fiscal year 1969-70?

Hon. E. J. Benson (Minister of Finance): 1. Gross unmatured public debt amounted to $22,637,140,229.

2. Interest on the public debt amounted to $1,675,910,611.

Orders for Returns

SKAGIT VALLEY

Question No. 695—**Mrs. MacInnis:**

How many letters, telegrams, briefs, representations or other communications have been received concerning the Skagit Valley in the period from June 30 to December 31, 1970?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Economic Expansion): A copy of an explanatory report, prepared by F. F. Slaney and Company Limited, was received by the Minister of Regional Economic Expansion.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

ESTIMATED FEDERAL EXPENDITURES FOR GOVERNMENT DEPARTMENTS 1969-70

Question No. 63—**Mr. Broadbent:**

For the fiscal year 1969-70, what were the estimated federal government expenditures for (a) the Department of Industry, Trade and Commerce Industrial Research and Development Incentive Act Program (b) Defence Research Board Defence Industrial Research Program (c) the National Research Council Industrial Research Program (d) the Department of Industry, Trade and Commerce Program for the Advancement of Industrial Technology (e) the Department of Industry, Trade and Commerce Defence Development Sharing Program and Defence Capital Export Modernization Program?

Return tabled.

OIL AND GAS INDUSTRY IN CANADA

Question No. 170—**Mr. Harding:**

1. What was the total capital investment in the oil and gas industry in Canada, by province or other areas, for the years 1963 to 1970 inclusive?

2. What percentage of our total Canadian oil industry is (a) foreign-controlled, (b) Canadian-controlled, as of the latest available date?

Return tabled.

HALIFAX INTERNATIONAL AIRPORT

Question No. 561—**Mr. Forrestall:**

1. How much space is there in the main building at the Halifax International Airport?

2. How much space is used by the Department of Transport?

3. How much space is used by Air Canada?

4. How much space is used by other departments or agencies of government?

5. What other space is being used and by what interests?

6. Under each rental arrangement, what is the annual, or otherwise, rental in dollars?

7. What, with respect to Part 6 is the square area annually or otherwise?

8. How many people are employed by government departments or agencies at the Halifax International Airport?

9. What rental revenues are derived from the operation of the public parking lot?

10. What other revenues are derived from the overall operation of the Airport with respect to rentals?

11. What has been the total income from landing fees in each of the past 3 years?

12. What has been the income from the airport tax on aviation fuel sales?

Return tabled.

[Mr. Benson.]

• (2:40 p.m.)

Mr. Coates: Mr. Speaker, I rise on a question of privilege affecting all hon. members. At the present time there are 20 questions standing in my name on the Order Paper. One of them, starred question No. 12, was also on the order paper of the last session of parliament. Your Honour made mention earlier of Standing Order 43. I think we are rapidly reaching the point where, if Your Honour is going to be credible in the House, when we have questions about matters that are not national in importance or urgent which have to be placed on the order paper, there must be some method of ensuring that members who make written inquiries of the government secure the information in question within a reasonable period of time. Starred question No. 12 is specific in detail and may require some investigation, but certainly it does not require an investigation that takes over one year in order to provide an answer. I suggest this makes a mockery of the written question system we have in this House.

I dislike having to get up and talk about this matter from time to time, Mr. Speaker, but if I am going to be able to secure information that I consider urgent and necessary for me to perform properly my duties as a Member of Parliament, surely I have some right to expect the government to furnish a written reply within a reasonable period of time. This is not happening and it has not been happening for some time. I believe this matter has to be referred to some committee in order to make a determination of the time period available to the government within which to provide an answer, whether or not either the government or the member asking the question considers the answer to be all the information. It is absolutely ridiculous for a question to sit on the order paper for two sessions and still be unanswered.

Mr. Jerome: Mr. Speaker, apropos the hon. member's point I will, of course, make a note of starred question 12 to which he referred.

Mr. Hees: That is good of you.

Mr. Jerome: But I think it is appropriate to point out that during the last week 75 replies have been taken care of.

Mr. Hees: What about the big backlog?

Mr. Jerome: If the hon. member would listen—

Mr. Hees: If you will say something we will be glad to listen.

Mr. Jerome: This brings our rate of reply up to the present moment, including some questions which have been answered only recently, to slightly better than 67 per cent of the questions posed.

I can also report to the House that during the past week I have personally contacted each minister and pointed out to him the questions that remain unanswered at the present time which fall within the remaining 30 per cent. They have undertaken to do everything possible to reply at the earliest possible moment. Therefore, Mr.

Speaker, I think we are doing everything possible to handle the matter reasonably at the present time.

Mr. Hales: Mr. Speaker, I should just like to draw to the attention of the Parliamentary Secretary that I have had a question on the order paper since October 21 dealing with the Department of National Defence and the Department of Supply and Services.

Mr. Jerome: That information will be noted as well, Mr. Speaker.

Mr. Orlikow: Mr. Speaker, question No. 79 in my name was put on the order paper this session on October 8. It was also on the order paper last session. It asks for information about consultants and companies doing studies for the Prime Minister's office. The Prime Minister has a large staff and I really do not see why it should take this long to answer the question.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, on October 29 last, I put on the order paper notice of motion for production of papers No. 145, regarding the construction of a federal building in Victoriaville, a project which has been pending since 1955. I have been waiting, like my hon. fellow citizens of Lotbinière, for an answer to this question which comes under the jurisdiction of the Minister of Public Works.

Mr. Speaker, I feel that this is an urgent matter, and I must insist that the government answer it as soon as possible.

[*English*]

Mr. Jerome: I have taken note of that number as well, Mr. Speaker.

Mr. Speaker: Perhaps the Chair should mention that I have noted the point of order raised by the hon. member. He has suggested that the Standing Order dealing with written questions on the order paper and notices of motions for the production of papers be reviewed. As the hon. member knows, the Speaker is not a member of that illustrious committee, the Committee on Procedure and Organization, though I always make it a point to bring to the attention of the committee points of order that are raised in the House in relation to the proper functioning of our Standing Orders. I will certainly do as I have done in the past in the case of the point raised by the hon. member. It will be brought to the attention of the chairman of the committee.

• (2:50 p.m.)

Mr. McIntosh: Mr. Speaker, I rise on a similar question of privilege in relation to question No. 688 which has been on the order paper since the middle of January. I understand the relevant information was given to the press the day after I posed the question, and I cannot understand why we in the House of Commons could not have had that information before that time.

Mr. Munro: Read the newspapers.

Mr. McIntosh: That is not the proper way to get the information.

Motions for Papers

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Notice of Motion No. 99 is acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the government concerned.

Mr. Speaker: Subject to the reservations and conditions expressed by the parliamentary secretary is it the pleasure of the House that Notice of Motion No. 99 be deemed to have been adopted?

Some hon. Members: Agreed.

ABITIBI CONSTITUENCY—BUILDING AND REPAIRS TO FEDERAL BUILDINGS, ETC., 1969-70

Motion No. 99—**Mr. Laprise:**

That an Order of the House do issue for a copy of all correspondence, briefs, telegrams and other documents between *Les Entreprises d'Abitibi Limitée* and the Department of Public Works pertaining to the building or repair of wharfs, launching ramps, federal buildings in the constituency of Abitibi during 1969-1970.

Motion agreed to.

Mr. Jerome: Mr. Speaker, would you be so kind as to call Notices of Motions Nos. 17, 18, 29, 54, 65, 86, 87, 135 and 159?

RESTRAINT GUIDELINES—CORRESPONDENCE BETWEEN PRICES AND INCOMES COMMISSION AND GOVERNMENT

Motion No. 17—**Mr. Saltsman:**

That an Order of the House do issue for copies of all correspondence, memoranda, etc., between the Prices and Incomes Commission and the Government of Canada in which the Commission suggested guidelines for restraint that the federal government might follow referred to by the Prime Minister as reported in *Hansard* of November 25, 1969 at page 1201.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, consultations between the government of Canada and the Prices and Incomes Commission are on a confidential basis and I would ask the hon. member to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Pardon my inelegance, Mr. Speaker, but my answer is "nuts".

Some hon. Members: Oh, oh!

Mr. Speaker: I presume I should interpret that as meaning that the motion is dropped?

Mr. Knowles (Winnipeg North Centre): No, put the question.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

Motions for Papers

COPPER EXPORT PERMITS—JANUARY TO SEPTEMBER, 1969

Motion No. 18—**Mr. Saltsman:**

That an Order of the House do issue for copies of all export permits granted for copper exports for the period January 1, 1969 to September 30, 1969.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on behalf of the hon. member.

Mr. Bruce Howard (Parliamentary Secretary to the Minister of Industry, Trade and Commerce): Mr. Speaker, as the hon. member will recall in response to his earlier motion, the Minister of Industry, Trade and Commerce cannot comply with this request since details on applications for export permits are treated as confidential and are communicated only to persons legally entitled to such information. If it is helpful, I could add that the total number of permits for copper exports in that period is 1,581—

Mr. Speaker: Order, please. I suggest to the Parliamentary Secretary that according to our rules he is not entitled to give that information at this stage of our proceedings and that he can only indicate whether he is prepared to answer the motion.

Mr. Howard (Okanagan Boundary): Mr. Speaker, I would ask the hon. member to withdraw his motion in view of the comments I have made.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in view of the comment that it is only those who are legally entitled to this information who may receive it, I would suggest that surely Parliament is legally entitled to do so.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

DRUGS—DRYING UP OF EUROPEAN SOURCES OF SUPPLY BY INTERNATIONAL FIRMS

Motion No. 29—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the evidence collected by the Department of Consumer and Corporate Affairs showing that some of the international drug firms are trying to dry up the sources of supply in European countries, as treated by the Minister of Consumer and Corporate Affairs in an address to the International Organization of Consumer Unions on June 29, 1970.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the information referred to in this motion was received on a confidential basis and its disclosure would seriously prejudice the sources of information on our lower cost drug program. Therefore I would ask the hon. member to withdraw the motion.

Mr. Orlikow: Mr. Speaker, if the minister had said that on the basis of the information the government was going to take some legal action to stop this practice I would have agreed, but since he did not I cannot agree.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

[Mr. Speaker.]

EXPORTS TO UNITED STATES UNDER DEFENCE PRODUCTION SHARING AGREEMENT

Motion No. 54—**Mr. Broadbent:**

That an Order of the House do issue for a copy of a list of all Canadian firms exporting products to the United States, under the Canada-U.S. Defence Production Sharing Agreement from its inception in 1959 to November 30, 1969, listing the specific materials, components, etc., exported and the dollar aggregates involved.

Mr. Knowles (Winnipeg North Centre): I move this motion on behalf of the hon. member.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the Minister of Industry, Trade and Commerce has reviewed the hon. member's second request and is unable to comply since the information is commercially confidential affecting the competitive position of participating companies. However, the minister would be prepared to table estimates of the dollar aggregates and a list of names of companies interested in participating in the production sharing program, if this would be acceptable.

Mr. Knowles (Winnipeg North Centre): May I accept that, Mr. Speaker, subject to the hon. member's right to put another motion on the Order Paper if he is not satisfied.

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that Motion 54 be deemed to have been adopted?

Some hon. Members: Agreed.

Motion agreed to.

STUDY REGARDING EFFECTS OF INCREASE IN FREIGHT RATES ON REGIONAL ECONOMIC EXPANSION

Motion No. 65—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the study undertaken in the Department of Regional Economic Expansion regarding the effects of increase in freight rates on regional economic expansion as mentioned by the Minister of Regional Economic Expansion and reported in *Hansard* of March 18, 1970 at page 5184.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the department studies the impact of various federal programs as part of a continuing appraisal of slow growth regions. However, this is designed to assist in drafting policies and programs rather than to produce formal reports. Therefore, since there is no report which could be tabled I would ask the hon. member to withdraw his motion.

Mr. Skoberg: Mr. Speaker, even though there is no report, in view of the freight rate increase of six per cent I think some information should be given to the House.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

CONSULTANT STUDY ON COMPARATIVE CONSTRUCTION COSTS OF CHEMICAL PLANTS

Motion No. 86—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Chemical Construction Corporation on comparative construction costs of chemical plants undertaken for the Department of Industry, Trade and Commerce in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the 1st session of this Parliament.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the Minister of Industry, Trade and Commerce cannot accept this motion since the study is part of the chemical industry study which was based largely on information received in confidence from Canadian industry and, moreover, there is an agreement between the Canadian Chemical Producers' Association and the department not to disclose this information. In view of this, I would ask that the hon. member to reconsider and withdraw his motion.

Mr. Skoberg: I will reconsider it and may resubmit it.

Order discharged and motion withdrawn.

CONSULTANT STUDY ON INDIAN SOCIAL DEVELOPMENT

Motion No. 87—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant study on Indian social development undertaken for the Department of Regional Economic Expansion in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the 1st session of this Parliament.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, no final report has yet been received in connection with this study and I would therefore ask the hon. member if he would kindly withdraw his motion.

Mr. Skoberg: I would appreciate it if the motion were allowed to stand on the order paper.

Mr. Speaker: Stand.

STUDIES RELATING TO CHEMICAL INDUSTRY

Motion No. 135—**Mr. Gilbert:**

That an Order of the House do issue for a copy of all reports and studies related to the chemical industry as reported in the Annual Report of the Department of Industry, Trade and Commerce, April 1, 1967-March 31, 1968, on page 51.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member will recall that in response to his previous motions the Minister of Industry, Trade and Commerce was not able to provide the study as it is based largely upon information supplied in confidence to the department from Canadian industry. In view of this I would ask the hon. member if he would kindly withdraw this motion.

Inquiries of the Ministry

Mr. Gilbert: Mr. Speaker, it is time this information was made public and I would ask that this motion be transferred for debate.

Mr. Speaker: Transferred for debate.

INFORMATION ON EXTENSIVE LAY-OFFS OF WORKERS IN FOREIGN CONTROLLED FIRMS

Motion No. 159—**Mr. Saltsman:**

That an Order of the House do issue for a copy of the report undertaken in either the Department of Finance, or the Department of Industry, Trade and Commerce, showing information on the extensive lay-offs of workers that have recently taken place in foreign controlled firms in Canada.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move the motion on the hon. member's behalf.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, I am advised that no report was undertaken in either the Department of Finance or the Department of Industry, Trade and Commerce showing information on the extensive lay-offs of workers that have recently taken place in foreign-controlled firms in Canada. In view of this perhaps the hon. member would like to withdraw the motion.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I guess the hon. member has no option; but it might be a good idea if the government did undertake such a survey.

Order discharged and motion withdrawn.

Mr. Jerome: Mr. Speaker, I ask that the remaining Notices of Motions for Papers stand.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

UNEMPLOYMENT INSURANCE

OBJECTIONS BY QUEBEC TO WHITE PAPER—REQUEST FOR TABLING OF CORRESPONDENCE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Labour with reference to the letter he received from Mr. Cournoyer, the Quebec Minister of Labour, objecting to the white paper on unemployment insurance. Has the government of Canada rejected those objections made on behalf of the government of Quebec, and does it intend to proceed with the implementation of the white paper regardless of those objections?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, a careful analysis of the letter of November 13 which appeared this morning in *Le Devoir* does not lead to the conclusion that the province of Quebec has rejected the contemplated legislation I propose to bring forward

in the House shortly. Since the receipt of that letter there have been several meetings between myself and my counterpart in Quebec which I think have led to a satisfactory explanation of most of the major issues which the province of Quebec raised in that letter of November 13.

Mr. Stanfield: Mr. Speaker, is the minister telling the House that the government of Quebec is satisfied to have the minister proceed with the white paper and has withdrawn its objections in this regard? Has the minister replied in writing to Mr. Cournoyer and, if so, would he table the correspondence between himself and Mr. Cournoyer in the House?

Mr. Mackasey: Mr. Speaker, I do not say this in a sarcastic vein, but there are a lot of questions in this regard and if I do not answer them all I hope later in the day the hon. gentleman will ask the few questions that I do not answer at this time. I think neither I nor the hon. gentleman would be able to infer from the letter that the province of Quebec does not intend to participate in the proposed changes in the Unemployment Insurance Act. The role of the province of Quebec is that of employer and there are provisions in the white paper which would allow any province that does not wish to participate in the plan to remain outside as an employer.

Many of the objections, not all, that the province of Quebec raised in their analysis of the white paper in their letter of November 14 have, I believe, been met satisfactorily not only as a result of the exchange of correspondence but also as a result of several meetings which I have held with various ministers of the province of Quebec. As to whether or not there is a reply to that letter, I may say there is, but whether or not I intend to table it will depend on my opinion of the circumstances under which that letter appeared in the Montreal *Le Devoir*. I would be very surprised if the letter which appeared in the newspaper appeared with the written or verbal consent of the Minister of Labour of the province of Quebec.

Mr. Stanfield: Mr. Speaker, I have a supplementary question. Will the minister seek the approval of Mr. Cournoyer and the government of Quebec of the tabling of any such correspondence, and did he mean to indicate to the House that Mr. Cournoyer and the province of Quebec were dropping their assertion that unemployment insurance and manpower programs ought to be administered by the province of Quebec rather than by the parliament of Canada?

Mr. Mackasey: Mr. Speaker, what I am really trying to say is that when there are differences of opinion between the federal Minister of Labour and his provincial counterpart, a difference of opinion which is real or imaginary, I prefer to settle those differences by direct negotiation rather than by an exchange of correspondence in newspapers.

Mr. Stanfield: Mr. Speaker, I asked the minister a direct question relating to seeking the permission of the Quebec minister and the government of Quebec for the tabling of this correspondence in the House. Since the letter from the Quebec minister has been published, will the Minister of Labour seek permission from the government of Quebec or from its appropriate minister to table the correspondence in this House?

Mr. Mackasey: Mr. Speaker, I will certainly discuss with the Minister of Labour of the province of Quebec how this confidential letter appeared in a public newspaper.

[*Translation*]

Mr. Speaker: Order. Does the hon. member for Saint-Hyacinthe wish to ask a supplementary question?

Hon. Théogène Ricard (Saint-Hyacinthe): Yes, Mr. Speaker.

Could the minister tell the House whether it is official that in his letter Mr. Cournoyer tells the federal Minister of Labour that this letter might be published?

Mr. Mackasey: Yes, Mr. Speaker, I believe that in that letter Mr. Cournoyer drew my attention to this possibility, but I am not sure that this was written with his approval.

ALLEGED REFUSAL BY QUEBEC TO CONTRIBUTE TO FUND

Mr. Speaker: Does the hon. member for Abitibi want to ask a supplementary question?

Mr. Gérard Laprise (Abitibi): Yes, Mr. Speaker.

The Minister of Labour told us earlier that since receiving this letter from the Quebec Minister of Labour he has had discussions with the latter about the white paper on unemployment insurance. Can he tell us whether the Quebec Minister of Labour has agreed or refused to contribute for workers, Public Service employees and employees of the Quebec government?

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I think it would be unfair for me to speak on behalf of the province of Quebec, particularly since they have not seen the proposed legislation. I would not want to be in contempt of parliament by showing the proposed legislation to the province before members of the House of Commons have had an opportunity to study the bill after first reading.

IMMEDIATE CHANGES TO ASSIST HARD-CORE UNEMPLOYED

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question. As it now appears certain that amendments to the Unemployment Insurance Act will not become effective for quite some time, and since the hard core of the unemployed—those who have been unemployed for over three months—is double the normal rate for this time last year, would the minister give consideration to introducing some interim measure now so that the families of these hard-core unemployed do not suffer unduly during the winter months?

Hon. Bryce Mackasey (Minister of Labour): I am sure the representation the hon. member has made on behalf of the unemployed, who suffer severely as a result of less than satisfactory benefits, will be drawn to the attention of the provinces as well since they have an important role to play in respect of the approval of this particular legislation. Nothing has changed my position as expressed in the House several days ago that the proposed new legislation will be before the House of Commons by the date I specified, namely, July 1, 1971.

OPPORTUNITY TO OPT OUT OF NEW LEGISLATION

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a supplementary question for the Minister of Labour. In view of the fact that he has mentioned the opportunity for the province of Quebec to opt out of certain aspects of the plan, and since there will be a tremendous cost to provincial governments and local school boards if teachers are brought under the new unemployment insurance legislation, does this mean they will also have an opportunity to opt out?

Hon. Bryce Mackasey (Minister of Labour): I want to apologize to members of the House if I left the inference that a province could opt out per se. I said there would be provision for any province to opt out as an employer. With regard to the added cost to the province in respect of the universality feature by the inclusion of additional costs to school boards, this is more than offset by the fact that hundreds of thousands of people will no longer remain on the welfare rolls and thus be a direct burden on the province and the federal government under the Canada Assistance Plan. Because of the increased benefits, people will at least be able to survive or live on the unemployment insurance benefit alone and not need supplementation by welfare.

Mr. Speaker: The Chair will recognize the hon. member for Cape Breton-East Richmond on a supplementary, but then I think we should go to a new item and recognize the hon. member for Nanaimo-Cowichan-The Islands. Then, perhaps we could return to the hon. member for Hamilton West and the hon. member for Gander-Twillingate after we have completed a round of original questions.

Mr. MacInnis: Mr. Speaker, since the minister only emphasized the preface to my question in that he referred to the co-operation of the provincial governments along with the local school boards, may I ask whether the provinces will have the opportunity to opt out of this particular category of the UIC legislation?

Mr. Mackasey: No. Universality means obviously what it says.

Mr. MacInnis: What does universality mean?

Mr. Mackasey: You have asked the question.

Mr. Speaker: Order, please. The hon. member for Nanaimo-Cowichan-The Islands.

Inquiries of the Ministry

NATIONAL DEFENCE

DESTROYER CONSTRUCTION PROGRAM—ADDITIONAL COST

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the President of the Treasury Board regarding the DDH-280 class destroyer escort construction program. I should like to ask the minister whether a decision has been taken in recent days to scrap this program or is any such decision now under consideration by the government?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, no such decision has been taken. In so far as I can speak for the government, consideration is not being given at this time to scrapping the program.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a supplementary question for the President of the Treasury Board. Can he tell the House whether there have been some 13 major design changes at a cost of some $100 million in this construction program?

Mr. Drury: Mr. Speaker, in a construction program of this magnitude, extending over a number of years, there are bound to be design changes to avoid technological obsolescence during construction. I think probably a more adequate explanation of this will be given by the Minister of National Defence when his estimates are under discussion in committee in the relatively near future.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that this program was originally to cost $170 million and expenditures are now estimated at some $227.7 million, may I ask the minister if either he or the Minister of National Defence will make a statement to the House fairly soon as to what the additional estimated cost is to complete this program, and is it the government's intention to complete it?

Mr. Drury: As I said, the Minister of National Defence, I think, has already indicated his intention to review this construction program with the parliamentary committee.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Yes, next month.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Could the President of the Treasury Board further advise the House whether or not the question of employment in those two river yards is a major factor in any consideration at present being given by the treasury benches with regard to the DDH-280 program? I ask that because a tremendous number of people would be thrown out of work if there were a negative decision.

Mr. Drury: The question presumes that we are proceeding to what the hon. member refers to as a negative decision. This is not the case.

Inquiries of the Ministry

[*Translation*]

CONSUMER AFFAIRS

TELEVISION—UNDESIRABLE ADVERTISING DIRECTED TOWARD CHILDREN

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question for the Secretary of State.

Is it his intention to follow the lead of the Movement in favour of abolition of advertising directed at children (MAPDE) and also to submit recommendations to the CBC in order to avoid future flagrant abuses of advertising directed at children, for instance for toys, clothing and cereals?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I feel that is more a responsibility involving the Minister of Consumer and Corporate Affairs. However, any suggestion emanating from that department would be promptly forwarded to the CBC.

* * *

[*English*]

UNEMPLOYMENT INSURANCE

INQUIRY AS TO LETTERS FROM PROVINCES EXPRESSING OBJECTIONS TO WHITE PAPER

Mr. Lincoln M. Alexander (Hamilton West): I also have a question for the Minister of Labour concerning unemployment insurance. First, I should like to refer him to *Hansard* of January 25, page 2713, where I am recorded as having asked the minister the following question:

In view of the urgency of the unemployment crisis, can the minister tell us whether he has yet received answers from all the provinces? Is it still the minister's intention to bring this legislation in by July, 1971, or is he updating his timetable in an attempt to deal with the very harsh unemployment situation?

The minister's answer was:

We are now running ahead of schedule in connection with the timetable outlined for the preparation of the draft bill, and I see no particular reason why we should not meet the target date of July 1, 1971.

I find it a little difficult to understand the minister's position at this time, and I question his credibility.

Mr. Speaker: Order, please. The hon. member has the floor for the purpose of asking a question. Perhaps he might come to that point now.

Mr. Alexander: I will do so, Mr. Speaker. In view of the minister's answer today regarding the province of Quebec, can he assure the House that there are no other hidden letters from the provinces voicing their objections to any particular matter in the white paper on unemployment insurance? In other words, can we be assured that there are no objections from any other provinces?

Mr. Speaker: Order, please. The hon. member has asked the minister to assure the House that there are no hidden letters. I wonder whether a question in those terms is in order. I gather that if the hon. member would put the question in another form the minister might answer it.

Mr. Alexander: I will remove the word "hidden", but the minister understands my position.

[Mr. Drury.]

Hon. Bryce Mackasey (Minister of Labour): What I do not understand is why the hon. gentleman, who is one of the more likeable members of the House, would want to question my credibility. In the nine years I have been in the House I have never questioned the credibility of any Member of Parliament. I do not think it is the tradition in this House to question the credibility of any member of the House.

The hon. member's question the other day was whether I felt I would be able to meet the timetable that I had mentioned previously on several occasions in the House, namely, July 1, 1971. I repeated that date today in answer to a very reasonable question from the Leader of the Opposition. I repeat now that I see no particular reason why the legislation should not be ready by July 1, 1971. I will have to wait for the official reaction of the provinces to the proposed legislation after they see the draft of the bill which will be available to members of the House at the same time.

Mr. Alexander: I rise on a point of order, Mr. Speaker. May I say with all due respect that I appreciate the lecture the minister has given me, but may I draw his attention to the fact that he has not answered my question. I want to know whether he has received any correspondence from any other provinces similar in nature to that received by him from the province of Quebec. It is a simple question calling for a simple answer.

Mr. Mackasey: The hon. member must know, as a member of the appropriate committee, that in July letters were sent to all the provinces inviting them to appear before the committee, to which the hon. gentleman made a very valuable contribution. I could check with the appropriate chairman, but I doubt very much that any official opposition to the concept was raised before that hearing by any of the provinces. Certainly, there have been questions from various provinces and in order to answer these we have been in constant communication, including visits to each and every capital of the provinces.

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CONSUMER AFFAIRS

DATING OF PACKAGED FOOD

Mr. Barry Mather (Surrey): I have a question for the Minister of Consumer and Corporate Affairs. Would he say whether a request has been received from the government of Manitoba urging that the dating of packaged food for consumption purposes be made mandatory and included in the federal packaging and labelling legislation?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I received a very helpful letter from Mr. Hanuschak of Manitoba. I discussed it with him over the telephone. It is my position, which I will enunciate further in the committee because the bill is before the committee, that the question of date stamping or an indication of age of products can be provided for under the existing wording of the bill. I provided for that in the drafting of the bill. But if a clarifying amendment would

be helpful, I would be quite happy to look at some form of amendment to make sure there is no doubt about the matter.

* * *

FINANCE

PLANS TO STIMULATE EXPANSION OF PRIVATE SECTOR OF ECONOMY

Mr. Gordon Ritchie (Dauphin): I have a question for the Minister of Finance. Although short-term interest rates have dropped because of the relatively rapid expansion of the money supply, there is still no indication of increasing activity in the private business sector. What further plans does the government have to stimulate expansion of the private sector of our economy?

Mr. Speaker: I respectfully suggest to the hon. member that the question is very wide in scope. He is inviting the minister to make a general statement which I suggest to the House cannot be made at this time.

* * *

MANPOWER

RIGHT TO INFORMATION ON PERSONS SEEKING EMPLOYMENT

Mr. John Lundrigan (Gander-Twillingate): I have a question for the Minister of Manpower and Immigration. What was the reason for the directive, memorandum, instruction, circular, whatever he prefers to call it, of January 21 to the Canada Manpower offices which has resulted in impeding the flow of statistical data from these offices to the Canadian people?

Hon. Otto E. Lang (Minister of Manpower and Immigration): A memorandum of that specific date has not been brought to my attention. On a date in January, Manpower centres were reminded of a policy statement or directive that is three years old which had indicated to Manpower managers that information which was released should be released with the necessary information about its validity and about its exact nature so that no one would be misled by erroneous figures.

Mr. Lundrigan: I have a supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. I will allow a supplementary question from the hon. member in a moment, but first I wish to seek the co-operation of the House. There are 20 or so hon. members who are seeking a chance to ask questions and there are perhaps not much more than 10 or 15 minutes before the end of the question period.

Mr. Lundrigan: I will do my best to co-operate with Your Honour, and knowing there are several members who wish to ask supplementary questions I will content myself with asking this final supplementary question.

Could the minister indicate why, as a Member of Parliament I was advised yesterday by a Canada Manpower office that in order to receive current data from Manpower I would have to apply in writing to the manager of the office, explaining the reasons for seeking such data, that the local office would then have to get clearance from the regional office, that a final decision would be made somewhere along the line, and that the tightening of security was precipitated by a memorandum issued on January 21, 1971?

Some hon. Members: Oh, oh!

Mr. Lang: May I say in answer to the hon. member that I cannot explain to him how he received that answer except that, knowing how he asks his questions, I am not surprised he received a strange answer.

RIGHT TO INFORMATION ON PERSONS SEEKING EMPLOYMENT—AUTHORIZATION AND WORDING OF DIRECTIVE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I hope I can ask this question in a way that even the minister will understand. Did he order the sending of a directive or instruction on January 21 that information was not to be provided unless it was cleared by various managers, upper managers, top managers and the like? Did he also have inserted in the statement the words, "managers are advised to spell out the favourable features of the manpower program—"

Some hon. Members: Oh, oh!

Mr. Diefenbaker: This is the rest of the quotation—"at this time of high unemployment"?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, that was a long question but the answer is a short and unequivocal no.

Mr. Diefenbaker: Then I ask the minister to table that directive in the House.

Some hon. Members: Hear, hear!

Mr. Lang: Mr. Speaker, as I indicated earlier in answer to the hon. member for Gander-Twillingate, no directive of that date has come to my attention, but since the hon. member has something he would like to present I am sure he could make it public.

Mr. Diefenbaker: Facetiousness is no substitute for information which the minister should give.

Mr. Speaker: Order, please. Will the right hon. gentleman ask his supplementary?

Mr. Diefenbaker: Oh, surely.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, one has always to preface a question in order to meet the irrelevancies of these ministers. May I ask the minister whether he has no knowledge that, through his own Manpower offices in Saskatoon, Winnipeg, Calgary and Vancouver, any such information was sent out? Will he look it up?

Mr. Speaker: Order, please. The Chair will see the hon. member for St. John's East for one supplementary on this subject, and if there is time I will return to the hon. member for Edmonton Centre. I apologize to the hon. member.

Inquiries of the Ministry

SUGGESTED LIFTING OF RESTRICTIONS ON SUPPLYING OF INFORMATION BY OFFICES

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to direct a supplementary question to the minister. In view of the seriousness of the unemployment situation, will he take immediate steps to lift any and all restrictions on the free flow of information from Canada Manpower offices across the country?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, as hon. members know, this department co-operates with the Dominion Bureau of Statistics in providing the most reliable information we have on unemployment figures. In many other ways we do provide a tremendous amount of information, and I will be glad to send hon. members the most recent data we have.

* * *

PUBLIC SERVICE

SPECIAL RECRUITMENT OF FRANCOPHONES—REQUEST THAT PROGRAM NOT BE INITIATED PRIOR TO CONSIDERATION BY COMMITTEE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to one of the two presidents across the way, either the President of the Privy Council or the President of the Treasury Board. In view of the statement made earlier today to the effect that the government prefers to postpone for several weeks any discussion of certain public service recruitment programs, can an assurance be given that the program referred to in the memorandum tabled yesterday will not be put into effect before the committee has an opportunity to discuss this matter?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I suppose I should reiterate that there is no such program. I did give an assurance yesterday that a program of this character would not be put into operation out of the contingency fund without being disclosed first in the House.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in view of the answer just given by the minister, can he tell us whether the meeting that was called, according to the memorandum tabled yesterday, "to help speed up the implementation of the program" was held on Tuesday, January 12, and what were the results of that meeting?

Mr. Drury: I will have to take that question as notice, Mr. Speaker. I do not know whether the meeting ever took place.

Mr. Douglas (Nanaimo-Cowichan-The Islands): They don't tell you any more than they tell us.

REDUCTIONS IN ISOLATED POST ALLOWANCES—REQUEST FOR DELAY UNTIL REVIEWED BY COMMITTEE

Mr. Len Marchand (Kamloops-Cariboo): Mr. Speaker, I have a question for the President of the Treasury Board. In view of the great concern expressed over the Treasury Board's announcement of cuts in isolated post allowances for federal government employees in certain isolated and remote communities in Canada, would the minister be prepared to delay implementation of these changes until an appropriate committee of the House has had an opportunity to review the entire question of isolated post allowances and report on this matter?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the scheme of providing allowances in isolated posts has been one under discussion for some time with the Public Service Alliance and other appropriate employees' staff associations in the National Joint Council. Some time ago agreement was reached in the National Joint Council to implement a program which would be indexed to the differential in the cost of living. That program has been in operation and recently, quite automatically, with effect from February 1 some allowances will go up and some will come down. I think it would be unwise to interrupt this normal process. However, if a committee of the House wants to look at the whole program I have no objection to that.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to ask the President of the Treasury Board whether these reductions, which are pretty substantial, were in fact discussed with the representatives of the employees concerned before they were implemented or whether they were implemented unilaterally by the government?

Mr. Drury: Mr. Speaker, in accordance with the agreement, indeed with the proposals of the employees' representatives, changes both up and down are automatically related to the cost of living index differential.

[*Translation*]

ABITIBI—ALLEGED REFUSAL OF DEPARTMENTAL OFFICIALS TO COMMUNICATE IN FRENCH

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to put a question to the Minister of Supply and Services.

When his officials have dealings with my constituents, they always do it in English and refuse to speak French. Could the minister tell us if this is due to lack of good will on the part of his officials or to the inadequate number of French-speaking officials?

Mr. Speaker: It seems to me that the question asked by the hon. member although interesting and important is more a representation made to the department and the hon. member must assume that it will be taken into consideration.

* * *

[*English*]

MANPOWER

SIGNIFICANCE OF MEMORANDUM TO OFFICES REGARDING RELEASE OF UNEMPLOYMENT FIGURES

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the second surreptitious resurrection of memoranda this week, can the minister

say whether the manpower managers have been commissioned, either by his office or by Information Canada, to act under direction as propaganda agents for the government, and have they been specifically instructed to point out the multiple manpower programs to balance public opinion in this period of high unemployment?

Mr. Speaker: Order, please.

* * *

FINANCE

SUGGESTED REPEGGING OF CANADIAN DOLLAR TO ASSIST EXPORTERS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, would the Minister of Finance tell the House whether we can expect an early decision with regard to repegging the Canadian dollar because of the increasing number of major Canadian concerns engaged in the export program which are reporting losses and having to lay off hundreds of people as the result of loss of contracts caused by the increase in the value of the Canadian dollar on the international market?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the hon. member knows very well that I could not give any indication of this in the House at the present time.

While I am on my feet, Mr. Speaker, I may have misled the House—

Some hon. Members: Oh, oh!

Mr. Hees: Another?

Mr. Speaker: Order, please. The hon. member for Hillsborough.

Mr. Benson: Mr. Speaker, on a question of privilege—

Mr. Speaker: Order, please. The minister rises on a question of privilege. Before I recognize the minister, perhaps he noticed that I recognized another hon. member when he suggested that he should take advantage of the fact he had the floor to answer another question. We have tried to get away from that practice in the past. It might be better if we returned to the minister in due course to allow him to answer the question, but for the moment I gather he has a question of privilege and the Chair will hear him.

Mr. Benson: Mr. Speaker, I was trying to avoid raising a special question of privilege, but I would like to point out that there were several questions asked this week about the Canada Development Corporation by the hon. member for Nanaimo-Cowichan-The Islands—

Mr. Speaker: Order. Would the minister indicate what the question of privilege is?

Mr. Hees: There is no question of privilege.

Mr. Benson: Mr. Speaker, I should simply like to say, in answer to one of those questions—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I suggest to the minister that that is precisely what he cannot do at this moment. I appreciate that the minister may want to reply to the question, and he should be given that opportunity, but it is better for the orderly conduct of the question period that the minister should reply later to the question asked previously, as he has indicated he wishes to do. He will be recognized in due course.

* * *

BILINGUALISM

USE OF CONCEALED TAPE RECORDER IN INTERVIEWING AIR CANADA EMPLOYEE

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Prime Minister which concerns the taping by an official representing the language commissioner of conversations with Air Canada clerks without the knowledge of the said clerks. Can the minister assure us that henceforth no employees or officials of the government of Canada, public commissions or corporations will perpetrate upon the people of Canada such sneaky, snoopy Orwellian intrusions?

Mr. Speaker: Order, please. I suggest to the hon. member that the question is in a form which is very difficult for the Chair to accept. The Chair will recognize the Minister of Finance.

* * *

CANADA DEVELOPMENT CORPORATION

ACQUISITION OF CROWN CORPORATIONS

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, if I had had an opportunity to answer the question earlier not so much time would have been taken. I simply want to say that in answering the question raised by the hon. member for Nanaimo-Cowichan-The Islands I said that if it were decided to turn over certain Crown corporations to the Canadian Development Corporation the government would have to come to the House and ask for permission to do so. Actually, section 39 of the CDC bill, which has had first reading, takes care of that matter. If parliament approved that section, the government would have the right to negotiate the sale of these enterprises to the CDC. I thought that was an important point that should be corrected.

* * *

PROVINCIAL AFFAIRS

PARTICIPATION BY FEDERAL GOVERNMENT IN FORMATION OF MARITIMES COUNCIL OF PREMIERS

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Acting Prime Minister. In view of the progress made at yesterday's meeting of the three Maritimes premiers, in view of their intention to form a Maritimes council of premiers and establish a secretariat, and in view of the additional costs that these projects

would entail for the provinces, has the federal government indicated that it is prepared to participate in this matter in some meaningful way?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker. The matter has not been raised yet with the federal government, to my knowledge.

* * *

EXTERNAL AFFAIRS

POSSIBLE CLOSER RELATIONSHIPS WITH GERMAN DEMOCRATIC REPUBLIC

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is also directed to the Acting Prime Minister. Since there is a considerable measure of detente in central Europe, and since the Federal Republic of Germany has itself entered into more direct relationships with the German Democratic Republic, has the Canadian government given consideration to entering into closer relationships, particularly trading relationships, with the latter government, the East German government?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the short answer to that question is, not any official recognition. We are prepared, of course, to trade with the people of the GDR, but I do not believe, and I think this view is shared by the government of the Federal Republic of Germany, that official recognition would forward the detente that we all seek.

Mr. Brewin: Has the government given any consideration to establishing a different basis for trade relationships with East Germany?

Mr. Sharp: Mr. Speaker, we have no objection whatever to trading with the German Democratic Republic. I do not believe it would be in the interest of the promotion of progress toward a detente in Europe if any action were taken that would create the impression that we were about to recognize the German Democratic Republic officially.

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INDUSTRY

CONSTRUCTION—SUGGESTED REMOVAL OF SALES TAX ON BUILDING MATERIALS

Mr. Walter C. Carter (St. John's West): Mr. Speaker, may I direct a question to the Minister of Finance concerning the recent statement by the president of the Canadian Construction Association in which he expressed concern about the 1971 prospects for the industry. Since activity in that industry has fallen far short of the government's predictions, would the minister be prepared to consider eliminating the 11 per cent sales tax on building materials as a first step toward boosting the construction industry?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I think that the outlook for the construction industry in 1971 is pretty good.

Some hon. Members: Oh, oh!

[Mr. MacDonald (Egmont).]

WELFARE

ASSISTANCE TO COURTS IN LOCATING DESERTING HUSBANDS AND ENFORCING SUPPORT FOR WIVES AND CHILDREN

Mr. Rud L. Whiting (Halton): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Since the minister is meeting with his provincial counterparts this week, will he discuss the possibility of setting up machinery so that information regarding the whereabouts of deserting husbands and fathers can be furnished to provincial courts in order to assist them in forcing these men to support their wives and families?

Mr. Speaker: Order, please. I realize that this appears to be an important matter. I suggest that if there is urgency it can perhaps be discussed at the time of adjournment. I doubt whether the question as asked is in order at this time.

* * *

POLLUTION

PROVISION OF ADEQUATE TREATMENT FACILITIES IN CHURCHILL FOREST INDUSTRIES PROJECT

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of Fisheries and Forestry. In view of the minister's concern expressed in the House on January 12 with regard to the inadequacy of pollution controls at the Churchill Forest Industries project, may I ask what action the hon. gentleman has taken to deal with this matter?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I am meeting next week with the responsible provincial minister.

* * *

INFORMATION CANADA

REPRESENTATIONS FROM PUBLISHERS OF ORIGINAL CANADIAN BOOKS RESPECTING ASSISTANCE

Mr. Doug Rowland (Selkirk): Mr. Speaker, my question is for the Minister without Portfolio in charge of Information Canada. May I ask him whether he has received representations from Canadian publishers of original Canadian books requesting government assistance? If so, has the government given consideration to those requests? Also, when may we expect a statement in the House on government policy concerning this matter?

Mr. Speaker: Order, please. Perhaps the latter part of the hon. member's question is in order in the sense that he asks whether a statement will be made on motions. A reply may be made to that part of the question.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, there is no present intention to make any statement on motions. As the minister responsible for federal government publishing, as well as for certain programs of encouragement of national identity and solidarity, I have been interested in meeting with Canadian book and periodical publishers in order to explore their problems. But in dealing with—

Mr. Speaker: Order, please. I do not think the statement should be made now; it should be made on motions.

INQUIRY AS TO TAKING OF OPINION POLLS FOR CANADIAN BROADCASTING CORPORATION

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State perhaps also for the Minister without Portfolio in charge of Information Canada. In view of statements made on the CBC program "Weekend" last Sunday regarding the public attitude toward unemployment, in this case blaming labour for all our unemployment and whitewashing the government, can the minister assure the House that Information Canada has not been taking opinion polls for the CBC?

Hon. Robert Stanbury (Minister without Portfolio): Yes, Mr. Speaker.

* * *

[*Translation*]

POST OFFICE

PROPOSED REMOVAL OF CERTAIN OPERATIONS FROM CALGARY TO EDMONTON

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, I would like to answer the question asked recently by the hon. member for Calgary Centre, but it is a rather detailed answer and I am afraid the House would adjourn before I came to an end. May I table that answer and may it be taken as read?

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

[*English*]

[*Editor's note: the answer follows:*]

The transfer of administrative activities from Calgary to Edmonton is an organizational move wherein the overall responsibility for the management and administration of postal services in the province of Alberta will be concentrated in one district office located in Edmonton.

As part of the general reorganization now under way, the department is adhering to a general policy of boundaries of district offices conforming to provincial boundaries. Where the workload justifies more than one district may be established. Districts are divided into areas and area managers appointed who are responsible for the administration of postal services in these areas.

Adherence to provincial boundaries has resulted in the transfer of responsibility for 50 per cent of the offices formerly coming under the jurisdiction of the Calgary district office to the provincial district offices located in British Columbia and Saskatchewan.

With the transfer of these offices the need of two district offices in Alberta no longer exists as the administration of the postal services in Alberta can be consolidated and effectively managed under the jurisdiction of the district office located in Edmonton. Area managers as an adjunct of the district office in Edmonton will continue to be located in Calgary responsible for the administration of postal services in the southern part of the province.

23786—37½

Inquiries of the Ministry

TRANSPORT

RAILWAY FREIGHT RATE INCREASE—DISCUSSION BY MINISTER WITH CANADIAN TRANSPORT COMMISSION

Mr. Charles H. Thomas (Moncton): Mr. Speaker, my question is for the Minister of Transport. It concerns the request of Canadian railways for a 6 per cent increase in freight rates which, if granted, could very well aggravate the already critical unemployment situation. Has the minister discussed this request with the Canadian Transport Commission? If so, what have been the results of such discussions?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, I have not discussed this with the CTC. As I have said on many occasions, this is a decision entirely within the competence of the railways concerned. They, I understand, filed notice of this intention before the CTC, but I am neither obligated nor, indeed, do I have the right to consult with the CTC on a matter of this kind.

* * *

[*Translation*]

EXTERNAL AFFAIRS

REQUEST THAT COMPOSITION OF DELEGATIONS TO CONFERENCES IN FRANCOPHONE COUNTRIES BE MODIFIED

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a question I wish to direct to the Secretary of State with respect to the statement made by the Hon. Jean-Paul L'Allier, the Quebec representative at the Conference of French-speaking countries, concerning the composition of the Canadian delegation, to the effect that the composition of the said delegation was ridiculous and prejudicial to the effective operation of those conferences.

Does the Secretary of State intend to change the composition of these delegations and if so, along what lines?

Hon. Gérard Pelletier (Secretary of State): I was given to understand, Mr. Speaker, that this statement made by the Quebec minister had been misinterpreted or inaccurately reproduced by the newspapers. In any case, it would not be in accordance with the facts had it been done as mentioned in the newspapers. The delegation which attended the Lomé Conference did a good job, the results of which will be shown as most fruitful.

* * *

[*English*]

TRANSPORT

RAILWAY FREIGHT RATE INCREASE—APPLICATION OF COMBINES INVESTIGATION ACT

Mr. John L. Skoberg (Moose Jaw): I have a question for the Minister of Consumer and Corporate Affairs. Can the minister say whether this department or the combines investigation branch is investigating the apparent togetherness of the Railway Association of Canada, which represents 22 railways, as indicated by their announcement of a 6 per cent increase in freight rates? If not, will he give consideration to introducing a provision in the Combines Investigation Act to take care of this situation?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, such arrangements are already provided in the National Transportation Act.

Mr. Speaker: Orders of the day.

* * *

HEALTH

GLUE SNIFFING—REPRESENTATIONS TO MANUFACTURERS OF PRODUCTS

Mr. Lincoln M. Alexander (Hamilton West): On a point of order, Mr. Speaker, I hope Your Honour will allow me this extremely important point of order. It concerns the Minister of National Health and Welfare who is in the chamber at present and will be attending the ministerial conference. I have a statement signed by 11,500 people in Hamilton, including young people and adults, who are concerned about glue sniffing. I hope the minister will raise this matter at the conference. With a view to having his colleagues approach the manufacturers in order to ensure—

Mr. Speaker: Order, please. The hon. member is obviously making a very important and interesting report to the minister. Perhaps he might consider the advisibility of continuing the submission with the minister as he leaves the chamber. It is not a point of order. I assume the hon. member wanted the opportunity to make that representation, and I assume he is satisfied that he has done so. I cannot accept it as a point of order. Orders of the day.

Mr. Alexander: Mr. Speaker—

Mr. Speaker: Is the hon. member rising on a further point of order?

Mr. Alexander: I will not be long. I appreciate Your Honour's indulgence. Since the minister is going to become involved with drop-in centres and crisis centres throughout the country, will he give this matter prime consideration because of the interest shown by these 11,500 people?

Mr. Speaker: Order, please. Orders of the day.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Tuesday, January 26, consideration of the motion of Mr. Drury (for the Prime Minister) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to the committee of the whole.

[Mr. Skoberg.]

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome this opportunity to speak on Bill C-207, an act respecting the organization of the government of Canada and matters related or incidental thereto. In my opinion, this bill illustrates more adequately than words can say the bureaucratic manner of doing things. This type of legislation can only create chaos and confusion in the minds of many Canadians.

This bill is somewhat like a sausage. It is composed of many things with no one, not even the government, knowing all that it contains. The House of Commons is being asked to accept one package which establishes a department of the environment, creates ministries of state, increases the number of parliamentary secretaries, gives the Postmaster General a new status, establishes new retirement regulations for public servants and special pension privileges for deputy heads. Is it any wonder that the hon. member for Halifax-East Hants (Mr. McCleave) raised a question about the validity of this bill?

There are some parts of this bill with which I can agree in principle, such as Part I which proposes the creation of the department of the environment. However, in my opinion, this method of presenting important legislative measures deters consideration in depth of the impact of these proposals on the Canadian nation. My principle concern is for the Department of Fisheries and Forestry. It is being swallowed up by this new giant, the department of the environment, which, according to the press, will have an annual budget of approximately $200 million and a staff estimated to be between 11,000 and 13,000 persons.

As I said a moment ago, I welcome the establishment of the department of the environment. However, I believe its terms of reference should be confined to antipollution measures. Environmental concerns are no longer the private preserve of the bird watchers. The same bell tolls for all.

The manner in which the abuse of water affects our Canadian fisheries resources, both inland and on both sea coasts, is and must be of primary concern to the federal Department of Fisheries and Forestry. In many ways, fish may be our first line of defence as pollution effects on fish have time and again warned of and dramatized the extent to which we are poisoning our environment. According to recent reports, mercury is still finding its way into our fishing areas. It is affecting Japanese canned tuna. Mercury in fish is not new. Researchers at the New York state department of environmental conservation have found levels of mercury in preserved fish caught 40 years ago that are more than twice as high as levels that would now bar those fish from the market.

It is my understanding that a recent landing of 15,500 pounds of swordfish by a Nova Scotia swordfisherman was examined. It was found to contain mercury in excess of the amount fit for human consumption. This poses very serious questions. What are these swordfishermen to do? There are at least 48 boats of varying length operating in the swordfishing industry between Sambro and Yarmouth, to say nothing of the ships operating out of

other areas. Will these fishermen be required to go on relief? What other type of fishing can they pursue? Who is to pay the enormous cost of new equipment for some other type of fishing which may be found to be suitable? These are serious questions. It is interesting to note that tests made at the Scriffs Institution of Oceanography in California indicate that some of the lead pollutant from automobile exhausts were found in liver tissue of sea bass caught off the coast near smog-plagued Los Angeles. Obviously, we are moving in the right direction in setting up legislation to purify our air and water in co-operation with the provinces.

If hon. members refer to Schedule A of this bill, they will note that pollution is only one facet of the responsibilities of the Minister of Fisheries and Forestry (Mr. Davies). It became evident sometime ago that control of pollution in Canada should receive number one priority from the government. However, its policies to date have seriously fragmented our pollution control authority thereby leaving our industries, provincial and municipal governments in a state of chaos and uncertainty regarding our pollution laws. At present our pollution control laws are under the jurisdiction of the Minister of Fisheries and Forestry, the Minister of Energy, Mines and Resources (Mr. Greene), the Minister of Transport (Mr. Jamieson), the Minister of Indian Affairs and Northern Development (Mr. Chrétien), the Minister of National Health and Welfare, (Mr. Munro), the Minister of National Defence (Mr. MacDonald) and the Minister of Public Works (Mr. Laing). These ministers under whom responsibilities fall for control of pollution do not have a co-ordinated plan of attack in order to deal with this vital problem. Therefore, our programs are bogged down in waters muddier than our policies were supposed to cure.

As we say in Atlantic Canada, our pollution program was all sails and no rudder. It was going everywhere, but nowhere, as no leadership was provided. Hopefully, this leadership will be provided under the new department of the environment. However, it is disturbing that the Department of Fisheries and Forestry will be lost in the shuffle. Under the British North America Act, legislative jurisdiction over fisheries is vested in the federal government. Over the years, the federal government has delegated its powers over fresh-water fisheries to the provinces. Non-tidal fisheries are administered by the provinces and the tidal-fishery or saltwater fishery is administered by the federal government. Recently the fresh water fish marketing corporation was established in co-operation with the provinces. Generally speaking, regulations proposed by the provinces are approved by the federal government. This makes legislative jurisdiction over fisheries matters national in scope.

• (3:50 p.m.)

Upon checking the records, I find that Canada's federal fisheries service began with confederation but it functioned as a branch of other departments, such as marine and fisheries, until 1930 when the Right Hon. W. L. Mackenzie King established a separate department of fisheries. In explaining his action for creating a separate ministry, Mr. King read the list of acts for the administration of which the minister would be responsible, and then stated:

> These are matters of considerable importance. The hope is that this all important resource and the industry to which it gives rise will be developed to a much greater degree than has been the case in the past. If the minister devotes his time and attention to that end, he will find plenty to do.

These are not my words; they are the words of a former Liberal Prime Minister, but in my opinion that admonition could be given today, in 1971. Since I was first elected as a Member of Parliament in 1957, I have not been able to avoid the feeling that in some parts of Canada the fishing industry is looked upon as being of no importance. This, of course, is unfortunate, and I hope the present government will not become a party to furthering this type of attitude throughout the nation. In my opinion, and in the opinion of the party I represent, the commercial fishing industry is vitally important, not only to the economy of the Atlantic provinces but to Canada as a whole.

To give you some idea of the importance of this industry, I point out that the total catch by some 68,000 Canadian fishermen during 1969 amounted to 2.7 billion pounds, with a landed value of $182 million. In its 23rd annual report dated June 1970, the Fisheries Prices Support Board estimates that the value of fishery products derived from the 1969 catch—of which 70 per cent was exported—will amount to approximately $370 million. The United States continues to be our main export market and the figures I have mentioned are most important when you consider that these earnings for the most part are distributed over vast areas of Canada. In some cases fisheries income represents the only earnings in regions of economic disparity.

The government of Canada cannot help but become involved in many problems of an international nature if we are to obtain the greatest advantages for our fishermen engaged in the principal Canadian fisheries on the Atlantic and Pacific coasts. Without question, the conservation of stocks of fish, which are in danger of extinction from causes other than pollution, is of vital importance at the present time. One of the most critical areas is in the north Atlantic, where Danish fishermen have virtually depleted the stocks of Atlantic salmon. Many of the salmon caught by the Danes are from Canadian salmon hatcheries, though this is only one of our problems.

Another serious situation on the east coast relates to the diminishing stocks of haddock, cod, redfish and flatfish. It is now generally agreed that stocks of haddock and redfish are virtually extinct on the Grand Banks, and flounder stocks are being depleted. Furthermore, it is now abundantly clear that inshore cod stocks are less and less dependable because of continuing excessive fishing efforts by foreign fleets. In fact, our Canadian inshore and offshore fishermen are appalled and alarmed at the accelerated pace of events and the relentless pressure on our fishing resources by huge foreign trawlers. This over-

fishing sets up a chain reaction for the depletion of one species through uncontrolled fishing efforts brings increasing pressure on other species, and the situation has now reached the stage where, if the present trend continues, the incomes of large numbers of inshore and deep sea fishermen, as well as the jobs of thousands of shore workers, will be seriously threatened. I believe that unless positive and firm action is taken to manage our fishing resources on the continental shelf off Canada's east coast we can expect disastrous effects on our over-all industry in the not too distant future.

These are all matters of great concern to us in the Atlantic provinces and they should be the subject of strong representation by Canada's Minister of Fisheries and Forestry when he attends the next law of the sea conference, which unfortunately will not be held until 1972. A lot of fish will come over the rails of foreign fleets by that time, and since we will no longer have a minister of fisheries, a minister known by that name, my concern and my fear is that the international law of the sea conference will become bogged down in discussions about seabed mineral exploration and pollution with the real and thorny question of fisheries conservation pushed far, far into the background.

I sincerely hope this will not be the case, but if we do not hold the fishing industry in high esteem as a nation by retaining a fisheries minister, how can we expect other nations seriously to consider our claims to the fisheries resources off our coasts? With the abolition of the Ministry of Fisheries and Forestry, we will also lose a certain amount of advertising value which accrued to the fishing industry as a result of having a fisheries minister. It was always nice to visit an exhibition and to see a display put on by the Department of Fisheries and Forestry. This was helpful in the over-all marketing of fish right across Canada as well as in other parts of the world.

In my opinion, we must utilize every opportunity to impress upon other nations, especially those nations depleting our fisheries resources, the importance of this industry to Canada. I do not know the present plans of our Prime Minister (Mr. Trudeau) but I would suggest and urge that he include over-fishing in the north Atlantic as an agenda item for discussion when he visits Moscow in the spring. Important as pollution is, there are many aspects of the fishing industry which require study in depth and which must not be overshadowed or overlooked.

One of the essential tasks of the minister of the department of environment will be to solicit the co-operation of provincial governments in maintaining uniform standards for clean water and air. He will have the new and massive Canada Water Act in his legal arsenal and not the least of his problems will be to prepare some sort of priority list for action. In my view, it is doubtful whether this nation can afford all the pollution controls that it should have in the next several years. Therefore, a distinction will have to be made between what is absolutely essential and what is merely desirable.

I cannot help but wonder, for example, which hat the minister will wear if he pursues his proposal that Georgia Strait be reserved as an underwater national park. This would mean that pulp mills and fishing towns currently using the strait would have to clean up their operations considerably, something the provincial government has been unable to make them do. Obviously the new minister of environment is going to be a very busy man.

Turning from the west coast to the east coast, I cannot help but wonder, since technical surveys of energy, including energy developed from water, now come under the department of environment, what stand the minister will take on developing Fundy tidal power in Minas Basin for the benefit of all Atlantic Canada. Under clause 11 the minister may co-operate with provincial governments or agencies on programs enhancing environmental quality, and I know of no program in Canada that would do more to improve the environment of Atlantic Canada than the development of Fundy tidal power.

This development would provide energy without depleting a non-renewable resource; and if it were built from a point on Cape Split across Minas Basin to Cape Sharp near Parrsboro, would provide a valuable revenue-producing, shorter transportation link between the south shore of Nova Scotia, the Annapolis Valley and the markets of central Canada. It would provide power without polluting the air for as long as the tides rise and fall—and that will be a long time, Mr. Speaker—while providing much needed employment and industrial expansion in Atlantic Canada, where it is sorely needed at the present time. Obviously, the question to be decided in the very near future is not whether tidal power can compete economically, but whether any alternative to tidal power can be developed to compete with its freedom from any form of environmental pollution. I believe this project should be given top priority. I believe it deserves to be Canada's number one development project at this point in time. However, I wonder what stand the minister of environment will take on this matter, for this is only one of the many new problems he faces which must be resolved.

• (4:00 p.m.)

In my opinion, the minister designate takes his duties seriously but it had been presumed, up to this point, that the portfolio of Fisheries and Forestry was a full time job. Now, if this is so I can only conclude that the minister designate for this new conglomerate will be bogged down and overburdened, so something is going to suffer. Will it be pollution control or fisheries and forestry?

Let us face facts. With a department of such magnitude ministerial responsibility is no longer possible, because of the sheer amount of work. In addition to accounting for the activities of the department, the minister must act as parliamentary spokesman for the numerous boards, commissions and agencies associated

with the work of the department. Therefore, the time that he can devote to policy considerations will become increasingly less, and there are still many fisheries problems unsolved. We have been waiting since 1964 for action on our territorial sea and fishing zone legislation and we are still waiting. There has been no settlement as yet of the thorny problems surrounding the fishing rights of the French on the islands of St. Pierre and Miquelon.

I also note that Bill C-207 provides for the appointment of an officer called the Deputy Minister of the Environment, to be the deputy head of the Department of the Environment. The Montreal *Gazette* of January 7 reported that the present holder of the position of Deputy Minister of Fisheries will be retiring a few months in advance of his 65th birthday to make way for a new appointee. The proposed appointee has a good reputation for competence, arising out of his success as deputy commissioner general of Expo 67, but a resumé of his previous activities makes no mention of any experience in matters relating to fisheries. The press release from the Prime Minister's office also expressed appreciation for Dr. Needler's services, and expressed the hope that the government would be able to call on him for special assignments and advice, especially in the fisheries field where he is an acknowledged authority.

Dr. Needler has been associated with the fisheries department in different capacities since 1929. In my opinion, a man of this calibre should have been retained, in order to strengthen the Canadian delegation at the International Law of the Sea Conference in 1972. It would seem that the fisheries branch will fast become the unwanted stepchild of the new Department of the Environment, and this could spell disaster for many people in Atlantic Canada where fishing is a way of life.

There are many other questions that could be raised on this section of the bill. For example, the legislation outlines the job that must be done, but it does not say who will pay the bills. Further, it mentions co-operation with the provinces and the municipalities, but it provides no mechanism for establishing pollution controls. Who will train pollution control officers? Will the federal government pay for their training and their salaries when they are posted throughout Canada?

These are some of the questions unanswered by the bill, but as time is passing, I must turn briefly to the other sections of Bill C-207. While I stated my agreement with some reservations to the establishment of the Department of the Environment, I cannot agree with Part IV of this bill cited as the Ministries and Ministers of State Act. The proposal would permit up to five ministers of state to be in existence at one time. This is a preposterous recommendation, a proposal which cannot and should not be approved by this House. We have at the present time the largest Cabinet in this country's history, with a total of 29 including the Prime Minister.

I suppose no one can say this enormous cabinet has not been effective, for by putting their heads together, by working as a unit, this cabinet has been successful in establishing a situation in Canada where we see more than 6 per cent of our labour force presently unemployed. This was one of this government's objectives, namely to create a little slack in the economy. The little slack developed into a slump, and the dark shadow of the worst winter of unemployment in history is today threatening our work force of eight and one half million Canadians. A survey among our top economists, labour leaders, and businessmen shows that they expect an army of some 750,000 to be unemployed this winter.

However, it is evident that this government has plans to improve the lot of those with low incomes by appointing five additional ministers. In addition, the bill proposes the appointment of a Parliamentary Secretary for every minister who holds an office for which a salary is provided in Section 4 of the Salaries Act. There are 16 parliamentary secretaries at present, receiving an additional $4,000 per year, and the proposals to increase the cabinet and allow each minister a Parliamentary Secretary can only be termed political piracy of the public purse by this Liberal government.

This is a devious, socialistic piece of legislation, the aim of which is only to increase the number of ministers and Parliamentary Secretaries without having any specific duties for them. This is not only a socialistic proposal for the expansion of Ottawa's bureaucracy, but the course of action proposed in this bill further diminishes the powers of Parliament and makes a mockery of elections in which people vote for a Member of Parliament in the sincere hope and belief that once elected he will have some say over their affairs, over their laws, over the manner in which they are governed. This situation no longer exists under this government, which seeks to undermine the power of Parliament so that it can ride roughshod over the wishes of the Canadian people.

Listen to the words which call for the establishment of Ministries of State:

> Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the Government of Canada warrant the establishment for the time being of a special portion of the public service of Canada presided over by a Minister charged with responsibility for the formulation and development of such policies, the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

Under this legislation, the House would not even be permitted an opportunity to debate the proposal to establish a new ministry, and I cannot help but wonder why we are debating Bill C-207. Why did the government not go ahead and set up the Department of the Environment and do all the other things for which this bill provides by Proclamation? Why does this government bother to keep up the sham of even considering Parliament? Obviously, it is only a sham and a show put on to mislead the voters of Canada into believing that, indirectly through their vote, they have a say in the policies and programs introduced by this government.

What a sham and what a delusion! By Proclamation, the Governor in Council can establish at its discretion up

to five ministries of state and the responsible minister, according to this bill, will be in charge of policy formulation and development. This is, of course, contrary to all tradition, since policy formulation has always been a Crown prerogative. When you read this bill, you begin to realize the arrogance of this government. You begin to realize its desire for dictatorial control of the whole machinery of government, without the necessity of coming to Parliament for sanction or agreement to its policies.

This is bureaucracy gone mad, Mr. Speaker. This is another way for the government to create another Information Canada without an Act and without reference to a House committee or without estimates. We have seen too much of this already. One example is the assumption by the Secretary of State (Mr. Pelletier) of responsibility for the implementation of the recommendations of the Bilingual and Bicultural Commission without an Act giving him this authority.

I cannot help but wonder, and the people I represent cannot help but ask, why this government is seeking the power to create up to five more ministries of state. The government already has the power to name ministers without portfolios to be in charge of temporary problems. Why create new ministries? To this question there can be only one answer, for it is obvious that this government still believes that by building up a large bureaucracy in Ottawa, by expanding the establishment, by placing more and more people under its direct control, it can cure the economic ills of Canada. In holding this belief, the government is being very naïve, or stupid, or a bit of both. There is only one way to get our economy back on the rails and that is to give business and private enterprise a chance to show what it can do. By this I do not mean that the government should saddle an even greater load on the backs of Canadian businessmen by increasing the number of cabinet ministers and their aides.

• (4:10 p.m.)

There is nothing in this bill that will encourage further plant expansion or the risk-taking which businessmen are constantly being exhorted to take. In fact, more business investment is the first thing that the Minister of Finance (Mr. Benson) and his colleagues have stated is the key to growth in our economy and in our employment opportunities. Yet, this is the last thing they seem to want to encourage. In fact, the present hodge-podge of programs, dictated by bureaucratic discretion and political power, is fragmenting rather than building faith in Canada's future among our businessmen and leading industrialists. This is not the way to restore faith or dynamic growth to our economy.

I still hold to the belief that the quickest, most effective and least inflationary way to relieve our present high unemployment rate and lift Canada out of the present recession in which it has been plunged by this government would be through a cut in personal and corporate income taxes. Some economies at government level would also be helpful. One such move should be to cut down rather than expand the present number of Cabinet Ministers. Anyone who reads the recommendation attached to this bill, unless he is blind, mute, or partisan, will agree that this bill does not really represent new organization of the Government of Canada but rather is an indication that Ottawa's bureaucracy is adrift in a fog, without the aid of a chart, or compass, or depth sounder to guide it. For these reasons, I cannot support this section of the bill when it comes up for a vote.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, the bill before us today, Bill C-207, sets up a new department. It sets up a new Department of the Environment. This new department replaces the present Department of Fisheries and Forestry. It also brings a number of related services, branches, and divisions together to deal with pollution. These include wildlife from Indian Affairs and Northern Development, water from Energy, Mines and Resources, meteorology from Transport and the environmental health unit from National Health and Welfare.

Our new Federal Department of the Environment will be concerned with Canada's renewable resources. It will be concerned with wild, living things, resources like trees, fish and wildlife. It will also concern itself with their life support systems, other resources like air, water and soil. Taken together these living and life related resources make up a natural whole. They are interrelated. They are mutually self-sustaining. They must be managed and they must be guarded in a comprehensive way. They must be operated on a sustained yield basis, now and in the future.

Our new Department of the Environment has two common elements. One is living and the other is essential to life. One will deal with living organisms. The other will deal with their environments. Together, they constitute our earthly biosphere, and our earthly biosphere is very fragile indeed. Looked at from outer space our biosphere is thin to the point of vanishing. It is a thin envelope encircling this tiny planet of ours. Reaching a few thousand feet up our mountain sides into the air and dipping a few hundred feet down into the water, it sustains all the life we know. Yet it, too, has its deserts and its dead spots. So, the preservation of our biosphere, of which Canada makes up a very important part, must be of great concern to us all.

Our new Department of the Environment is a resource management department. But it differs, in one very important respect, from our other resource departments. It deals with the animate. It deals with the living. It deals with the renewable. It is primarily biological in its orientation. It puts the accent on quality rather than quantity. It must often be soft nosed, not hard nosed. It must put ecology ahead of economics whenever a choice has to be made between the two. However, ecology and economics are not always opposed. We can have economic growth and a healthy environment, too. But to have maximum economic growth and a sound environment will take a lot of doing. It will take a lot of monitoring, a lot of careful

planning; the best possible management plus considerable give and take on both sides.

Economic growth in the old-fashioned, quantitative sense is an illusion. It is shortsighted. It is narrowly conceived. It recognizes certain private costs but ignores others. It passes hidden charges onto others. And these hidden charges can later turn up in the form of barren soil, smoke laden skies and waters which are repulsive to us all. A fuller accounting of costs, and especially of costs and benefits over the long run, inevitably turns up a different balance sheet. Blighted landscapes and unhappy hours are negative factors which must be taken into account. More public costs must become private costs. The cost of pollution abatement must be met, increasingly, by the private sector. After all, private enterprise has proved that it can deal efficiently with many things. Why not see to it that our industrialists, and our scientists, deal with many of our environmental problems as well?

Let me refer to what I regard as a classic case. Let me refer to the drilling for oil in our beautiful Strait of Georgia in B.C. If the oil companies were allowed to go ahead I doubt if the price of petroleum products would come down in Vancouver. Of course, the local fishery would be threatened, pleasure boating would be less pleasant and waterfront properties would not be as valuable as they used to be. These minuses, I am convinced, would outstrip the value of the new jobs on west coast drilling rigs by a factor of more than ten to one. Natural apprehension, the public's concern about the destruction of the local environment, and the threat to our tourist industry would be too great. Economists refer to many of these considerations as "intangibles". But they have their own inherent value in our human scheme of things. No politician worth his salt can ignore them. No local ecologist or no global environmentalist would, either.

Recently, the Science Council of Canada referred to the Strait of Georgia. It suggested that an Ottawa based economist take a dispassionate look at the pros and cons of drilling for oil there. Reading between the lines, one gets the impression that the Science Council thinks that such an investigation might even come down on the side of the oil companies. I doubt very much whether it would, Mr. Speaker. I doubt it very much.

Anyone with any idea of the quality of life could not help being skeptical about the idea of oil derricks in the Strait of Georgia. Anyone with a feel for "intangibles" would guess that a careful cost-benefit analysis would turn thumbs down on the establishment of an oil industry in the midst of this recreational mecca. There isn't another area in Canada quite like it. I doubt if there is really another area anywhere in the world which has a greater potential for human enjoyment and the wise use of leisure time. This is why I am convinced that it will make a magnificent national marine park, perhaps the first in Canada; undoubtedly, the biggest and the best in the word! Ecologically speaking, drilling for oil in Georgia Strait is sacrilege. Environmentally speaking, it does not make sense. Scientifically speaking, it shows a callous disregard for human values. I am surprised that the Science Council would stub its toe on that one!

I must not imply, Mr. Speaker, that offshore drilling is all bad. Canada has a long shoreline. It has the longest shoreline in the world. We also have a vast Continental Shelf. It reaches 400 miles out into the sea off Newfoundland. It underlies all of Hudson's Bay and most of our straits and seas in the High Arctic. So we have a choice. We have a choice of location from an environmental point of view. So, let us choose our offshore drilling sites with care. Let us make sure that we do not set up oil drilling platforms where they are bound to be offensive, where they hurt real estate values and where they will be detrimental from a recreational point of view.

Of course, our new Department of the Environment will have to keep a close eye on the oil industry. It will have to keep a close eye on Canada's natural gas industry. It will have to watch coal mining, uranium mining and copper mining. It will have to make sure that natural leaching processes do not distribute too many copper ions around for they, like many exceptional concentrations of trace metals, are poisonous to fish and other forms of wildlife. It is true that man needs more energy and cleaner energy. He needs better construction materials and he needs chemical products which fertilize the land. But he can pay too high a price. He can churn out too many substances which are anti-life. He can produce too much that is harmful, that is toxic, that is suffocating, that blunts our senses, that shortens our lives.

I have singled out the oil industry as a starter. But I could have mentioned the pulp and paper industry instead. Using Canada's magnificent forest cover, it generates more employment than all of Canada's mining industries combined. But our pulp and paper industry is a polluter, too. It passes some of its costs on to others. Half or close to half of all the wastes being dumped into Canadian waters by industry originate in our pulp and paper mills—50 per cent or close to 50 per cent in bulk, in tonnage terms. This is why the pulp and paper industry has been singled out for special treatment under the Fisheries Act. This is why it is facing new regulations, new regulations under the Fisheries Act which are nation-wide in their effect.

• (4:20 p.m.)

This is why we are joining with the provinces in our efforts to clean up our pulp and paper mills before it is too late. Our approach to industry may interest you, Mr. Speaker. First, we comb the literature; then we talk to the consulting engineering companies, and ours are the best in this business. Then, we sit down with the industry itself. We learn all we can about the best plants, how they have been built and how they operate. The best is the test. From the best, we develop a set of standards which we know can be met and practiced. These new standards are embedded in our regulations. Coupled with the deadlines, we put the laggards in industry on notice. We put the polluters in industry on notice from one end of the country to the other.

This massive clean up, of course, will cost money, a good deal of money. It will cost the pulp and paper industry, and consumers, several million dollars for every $100 million dollars of new pulp and paper mill construction. It will cost roughly half as much as the industry's annual wage increase settlement with labour. It will be barely offset by one year's increase in productivity. I do not want to make light of these increased costs. Our forest based industries have been going through a difficult time. Prices are only a little higher than they were in the mid 1950s. Wage rates have been going up by leaps and bounds. The Canadian dollar has been revalued and Canada's pulp and paper industry still faces a battery of income and income related taxes which, in total, are among the highest in the world.

Still, pollution abatement must be given top priority. New mills must not be built unless they contain the necessary in-plant facilities, catchment basins and biological treatment ponds. They must pass muster with government inspectors and engineers. Sound operating procedures must be followed to the letter. Nothing which is toxic to fish must get out of the systems of these plants. Nothing must be allowed to escape from these plants which is deleterious to aquatic life of any kind.

Old mills, understandably, are in a different category. Each one tends to be a special case, each one calls for special treatment. Some are already obsolete, others do not have enough space in which to instal the necessary facilities. So conversion presents a problem. This is why our new department of the environment has to look at each plant in turn, and this is why we cannot expect many of these older mills to be cleaned up overnight.

The technique is to schedule a series of changes, each with its own particular deadline. The sequence of adjustments leads up to a final deadline. Failure to comply with the schedule can result in a series of fines. The longer the lag, the bigger the bill. Running at $5,000 a day, it can add up to a lot of money, to more than $1 million a year if the company is unlucky enough to be found breaking the law for that length of time.

Some hon. members have asked when our new regulations dealing with the pulp and paper industry will be published in full. My answer is, in a few weeks time. We still have to hear from some of the provincial pollution control boards. We still have to have a final meeting with the pulp and paper industry itself. But no one with any competence will be able to say they were not consulted first and consulted thoroughly.

We have leaned over backwards to make sure we were reasonable. In so doing, we have created a precedent. For the first time in Canada, and perhaps in the world, the best brains in industry, in government and in our universities have sat down together to tackle pollution in an entire sector of our national economy. They are pooling their knowledge and revealing their plans with a view to giving Canada the best treatment facilities and the best treatment procedures so far known to mankind. One of our problem areas is the Ottawa River from the national capital downstream to Montreal. Half a dozen pulp mills have been using it for decades as a big industrial sewer. Once our federal Fisheries Act regulations are in place, these mills will have to sit up and take notice.

Some hon. Members: Hear, hear!

Mr. Davis: They will have to do this because we will have a single standard to which they must conform on both sides of the Ottawa River, and from its headwaters to the sea.

Ontario administers the federal Fisheries Act in Ontario. Quebec administers the federal Fisheries Act in Quebec. Relying on the same Act and enforcing the same regulations, we should be well on our way toward solving a problem which has been baffling both levels of government for years.

Using our federal Fisheries Act, we will be able to stop the polluters. We will be able to stop these local pulp and paper mills from treating the lower Ottawa River like an industrial sewer. Facing a common set of regulations and enforcement procedures, they will have no choice. With Quebec, Ontario and Canada breathing down their necks, they will have to make the Ottawa River a fit place for fish to live.

Before I leave water and begin to talk about air I should, perhaps, say a word about mercury. Canada is far ahead of the United States in this connection, and well ahead of most countries in western Europe. Unlike Japan, and to a lesser extent Sweden, we have caught our mercury pollution problem in the nick of time. We are well on our way to solving it, without having to face a human health problem in this country.

The main offender has been the chlor-alkali industry. It used to dump thousands of pounds of mercury each year into our rivers and streams. As soon as we began to detect high levels of mercury in wild birds and fish, we called in the companies. They were told to stop polluting and to recycle their effluent. They were instructed to keep their mercury bearing wastes inside their factory fence. The companies moved quickly to put things right. They built settling ponds and began pumping surplus fluids back into their plants. This recycling process has been highly successful. It has already cut the amount of mercury getting into our rivers by more than 90 per cent.

The record, on a plant by plant basis, makes interesting reading. It is documented in a table which I have here, Mr. Speaker. I wonder if I could have the permission of hon. members to have it included in today's *Hansard.*

Mr. Deputy Speaker: Is this agreed?

Some hon. Members: Agreed.

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

STATUS OF MERCURY LOSSES IN LIQUID EFFLUENTS FROM CANADIAN CHLOR-ALKALI PLANTS

PLANT	Production Chlorine Tons/Day	Effluent Mercury Losses 1969 lbs/ton chlorine produced (a)	Effluent Mercury Losses Dec. 1970 lbs/ton chlorine produced (b)	Effluent Mercury Losses Reduction Percent 1969–1970	Anticipated Losses on Completion of Current Abatement Program lbs/ton chlorine produced (c)	Anticipated Losses on Completion of Current Abatement Program Completion Date
FMC Chemicals Ltd., Squamish, B.C.	170	0.15	0.0118	92.1	0.0029	Feb. 1, 1971
Interprovincial Co-operatives Ltd., Saskatoon, Sask.	85	0.30 (c)	0.001–0.002	99.3		
Dryden Chemicals Ltd., Dryden, Ont.	33	0.21 (c)	0.007	96.7	0.005	June 1, 1971
Dow Chemical of Canada Ltd., Thunder Bay, Ont.	80	0.15	0.0009	99.4		
American Can of Canada Ltd., Marathon, Ont.	37.5	0.27 (c)	0.012	95.6	0.01	April 1, 1971
Dow Chemical of Canada Ltd., Sarnia, Ont. No. 1	160	0.15	0.0017	98.9	0.0009	Dec. 31, 1971
No. 3	250					
CIL, Hamilton, Ont.	88	0.10 (c)	0.0008	99.2		
CIL, Cornwall, Ont.	120	0.10 (c)	0.007	93.1	0.0008	June 30, 1971
Standard Chemical Co. Ltd. (d) Beauharnois, P.Q.	110	0.15	0.016	89.3		
CIL, Shawinigan, P.Q.	100	0.10 (c)	0.006	94.0	0.001	June 30, 1971
Aluminum Company of Canada Ltd., Arvida, P.Q.	110	0.20 (c)	0.026	87.0	0.01	April 1, 1971
Domtar Ltd., Lebel-sur-Quevillon, P.Q.	72	0.15	0.0416	72.3	0.0097	April 1, 1971
CIL, Dalhousie, N.B.	85	0.10 (c)	0.0024	97.6	0.0003	June 30, 1971
Canco Chemicals Ltd. (e), Point Tupper, N.S.	55	—	0.0035	—		

NOTES:

(a) Based on Departmental estimates of mercury losses in liquid effluent of 0.15 lbs per ton chlorine produced.

(b) Based on measured effluent concentrations.

(c) Based on estimates by the Company.

(d) Standard Chemical Co. Ltd. will have a new plant on line early in 1971 which will replace the existing one. Their mercury losses are estimated to be 0.01 lbs per ton chlorine produced.

(e) Plant commenced production in 1970.

Mr. Davis: In looking over this table, you will note that some plants have done better than others. Some have already reported a loss figure of less than 0.005 pounds of mercury per ton of chloride produced. This is excellent. It is well below the target figure which Swedish experts recently considered to be the limit of modern technology, namely 0.01 pounds per ton of chlorine produced.

Our ultimate aim, nevertheless, is perfection. We want to make our Canadian chlor-alkali industry as antiseptic as possible. We want to bring the mercury content of its effluent down to the point where there is no net addition to the background levels already present in nature. In other words, our target is for the industry to tend to take mercury out of its natural water supply rather than add new mercury. This is actually happening in one or two Canadian localities now. It must become the objective of all chlor-alkali plants in Canada and our fisheries regulations will be drafted so as to make this performance compulsory from coast to coast.

To be even more specific, the target set in our regulations is 0.01 pounds of mercury per ton of chlorine by April 1, 1971. The target for September 1, 1971 for all plants is 0.005. The target for the end of 1971 is the local background level or better. A year from now all our chlor-alkali plants should, in effect, be improving on nature. They will be taking mercury out of their natural surroundings rather than adding mercury to them.

Now, let me turn to the question of clean air. We have a lot of new teeth in so far as water is concerned. We have an amended Fisheries Act, an amended Canada Shipping Act, and a brand new Canada Water Act. These were all put in place in 1970. Now, we need a new clean air act. We need it in 1971. We need to supplement the powers which the federal government already has in respect of water and soil. We need it because the potential polluter has a choice. He can choose to burn his waste products and send them up the chimney rather than dump them in a neighbouring stream or bury them in the ground.

As in the case with water, we are working closely with the provinces. We are asking them for their advice. We are asking them how our new federal clean air legislation can complement their own provincial laws. We are asking them also how they would like us to deal with motor vehicles and other products which are sold throughout Canada and which can be a serious source of atmospheric pollution unless they are designed and equipped in the proper way at the factory itself.

I have already been talking to my opposite numbers in the provinces about transborder situations and international situations. I have been trying to head off jurisdictional wrangles. I have stressed our willingness to complement provincial law and to avoid unnecessary duplication. I have stressed the need for national ambient air quality objectives, and on all these scores, Mr. Speaker, I have met a favourable response in one provincial capital after another.

• (4:30 p.m.)

That there is a federal role in respect of air, I have no doubt. Its movements are broadly continental in their

sweep. They are generally from west to east. Coming in from the Pacific and sweeping down across the Prairies, they lose moisture and pick up moisture. Crossing along over Ontario and Quebec, they may also pick up fumes from thousands of factories and millions of automobiles. These outpourings, along with those emanating from great American centres like Chicago and Detroit, are bound to affect the quality of our atmopshere. They are bound to affect the quality of the air we breathe in the area of the St. Lawrence and in the Atlantic region as well.

Air, even more than water, is indifferent to man made boundaries. It sweeps from province to province and from nation to nation. It can weave its way across the international boundary line and back again. It can be upgraded by plankton in the ocean and young trees on land. It can be quickly downgraded again by industrial man at work and at play. Renewed by plant and animal life our worldly air mantle has great recuperative powers. But these powers, like those of our rivers and streams, are finite. They are by no means unlimited. They can be over-taxed, much as Lake Erie has been over-taxed by the outpourings of the main industrial heartland of North America. They can be over-taxed by industry and municipalities alike, and they can only be brought back again at great cost to others, some of whom may live hundreds and even thousands of miles away.

I would like to make an important point here. I am opposed to a patchwork approach to pollution. I am opposed to different standards in different places. I am opposed to pollution havens. I am opposed to big industry picking on our weaker provinces and our weaker municipalities. I am opposed to sloppy housekeeping anywhere, because it is bound to hurt the local citizenry in the end. I am prepared to argue against those who say that each industry and each municipality should be able to rely on the so-called "assimilative capacity" of its local waters and its air. If they are allowed to do this the effects are bound to be cumulative. What do they say to the next industry that comes along? And to the next and the next? What do they say to a doubling and a trebling of the output of the initial industry? When does the regulatory authority cry halt? And when does it begin to discriminate against late comers saying that the rules of the game have to be changed after all?

Why not insist on the best clean up procedures at the outset? And why assume that we must really spoil our environment before we begin to clean it up again? Why act as if we know all about the assimilative capacity of our surroundings in the first place? The scientists, and you and I, Mr. Speaker, do not know very much about assimilative capacity at all. Those who take the patchwork approach to pollution do not know much about ecology. They do not know much about living things. Perhaps they have never heard about the synergistic effects of one pollutant piled on top of another. Individually, they might not have much of an effect, but in combination several pollutants can kill several times over, and who knows what combinations and permutations will result from several industries and several municipalities dumping their wastes into the same local environment?

So, why run the risk of losing everything when uniform national standards can provide us with all the protection we need? Why run this risk when recycling within the factory fence is possible in most cases? And why settle for anything less than the best when new industry can be made to take every precaution as long as everyone is being treated the same everywhere in the country?

Earlier in my speech, Mr. Speaker, I took a swipe at the Science Council of Canada. I took a swipe at the technocratic gobbledygook which it published recently about oil drilling in the Strait of Georgia. But I should add, Mr. Speaker, that the recommendations of the Science Council of Canada are not all bad. Some of them are excellent, and many of them we have already acted upon. Others we intend to adopt in the very near future. The Science Council says that we should have a federal-provincial review board. We already have a forum for consultation on these issues. We have the Canadian Council of Resource Ministers, and I might loosely refer to it as the Council of Renewable Resource Ministers. The Canadian Council of Resource Ministers met recently in Winnipeg. It discussed forestry for three full days. In previous years it had discussed fisheries, recreation, and the development of river basins. It has concentrated on pollution at times, and on land use at others. Frankly, I think it is more than a review board. It has the ability to look ahead as well.

The Science Council says we should set up special advisory committees and consult frequently with the top brains in industry and in our universities. It says this with particular reference to forestry. But we, in this department, have already asked Mr. T. N. Beaupré of Domtar to chair our new Forestry Advisory Council. Its first task is to review our forestry research priorities. Later it will concentrate building a two-way bridge of ideas between our Canadian Forestry Service and the companies themselves.

The Science Council believes that we should contract out more of our research work. Less development should be done "in house" and more should be done in company plants and graduate schools. I agree with this. We in Ottawa have tended to be too inbred. Too much of our work has been done behind closed doors, and too many studies have been filed away without being read by people who could make some practical use of them. The Science Council says that we should concentrate on certain areas of research and avoid spreading ourselves too thin. I agree with this also. I agree that more of our work should be mission oriented. I agree that it should be tailored to suit Canada's particular needs. I agree that our environmental endeavours should fit our own Canadian situation. Let me give you a particular example of what the Science Council means and of what I mean.

The Science Council says that we should build a big new environmental centre on the west coast, dealing with the marine-atmospheric interface and employing biologists as well as oceanographers and climatologists. It would be located facing the Pacific. Already we are developing a tidy nucleus in West Vancouver but more, much more remains to be done on the air side, and it is

B.C.'s turn in so far as the building of a big new environmental institute is concerned.

The Science Council makes a good case for ice studies and ice removal in the lower St. Lawrence. I have no doubt that environmental studies aimed at clearing this great waterway in the winter months will pay off handsomely. Here is another task which our environmentalists should tackle with determination.

I could go on, Mr. Speaker, and tell the House about our testing of pesticides in Halifax, about our eutrophication studies on the Great Lakes, about fish farming on the Prairies, and about our efforts to rescue the wildlife habitat on the Athabasca-Delta. But suffice it to say that our scientists and our engineers are hard at work. They are working flat out on pollution problems and renewable resource management problems from coast to coast, and from the Great Lakes to the Arctic Archipelago.

Our new environmental department is a decentralized department. Less than 10 per cent of its work force is located in the Ottawa area. The rest are to be found out where the fish are, where the trees are, where the lakes are and where the problems are. Our biggest wildlife centre is in Edmonton. Our biggest fisheries research laboratory is in Nanaimo. Our big centres for inland waters are in Winnipeg, Manitoba, and Burlington, Ontario. The headquarters of our meteorological service is in Toronto. Our main oceanographic institute is in Dartmouth. We are planning a new centre for Arctic studies in the Northwest Territories. Here is decentralization with a purpose. It is decentralization with an eye to the expansion of our resource base, and with a view to enhancing our environment in the long run.

In this wide ranging speech, I have covered a lot of ground. But I must be careful, Mr. Speaker. Our new Department of the Environment will not embrace all of the activities of the federal government relating to pollution control. Other departments like Agricultural, Urban Affairs, Northern Affairs, Transport, Regional Economic Expansion and Energy, Mines and Resources will also have important responsibilities in the environmental field. They will deal with particulars, while the role of our new Department of the Environment is more general. It is more sweeping, and it includes the role of a coordinator. It must make sure that our plans do not have any gaps in them, that our programs are as broadly based as possible, and that the quality of life in Canada is preserved for all time to come.

Reading our daily press and watching television one is often gripped with a sense of apocalyptic doom. Handed a sordid dossier of man's mishandling of his surroundings, we are bound to be depressed. I agree with those who are sounding the alarm. If things keep on this way we will be in a real mess. We will be in a real mess by the year 2000. But let us not blame science and technology for all our ills. Man's greed is the real culprit. It is his greed in the material sense which is to blame for the present state of things.

Of course, we have to mend our ways. We have to stop doing those things which the scientists tell us are harmful to our environment. Since greedy practices have become a habit, this will not be easy. But, knowing the facts, we have the will to change. We have the will to use modern technology in such a way as to ensure our own survival and that of all other living things.

Of course, Canadians will have to make some hard decisions about the kind of world which we want our children and their children's children to inherit from us. Environmentally speaking, we all want it to be a better world than we now know. So, we must make sacrifices in the 1970's. We must make sacrifices, especially on the economic front. But armed with more scientific know-how, we can enhance our environment. Our new department of the environment, properly manned, properly organized and properly directed, can help us on our way.

Some hon. Members: Hear, hear!

• (4:40 p.m.)

Mr. Davis: Before sitting down, Mr. Speaker, I should like to join the hon. member for South Shore (Mr. Crouse) in saying a word about our present deputy minister, Dr. Needler, who is to retire shortly. For many years he has been in the government service. He performed a yeoman's task, first on the Fisheries Research Board and, latterly, in the Department of Fisheries and Forestry. I hope we have not seen the last of him. I shall do my best to persuade him to act as an adviser to us, particularly on international matters and, more particularly, in relation to the next Law of the Sea Conference. I hope that these few words will allay the concern of the hon. member for South Shore about our ability to deal with fisheries problems, and especially international fisheries problems, in the months and years ahead.

Mr. Crouse: Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry? I listened with much interest to his comments regarding the cleaning up of the environment, and especially to those remarks concerning mercury. As he is aware, a very serious situation has developed in the Canadian deep-sea fishery. Fishermen who are landing swordfish are finding that their catches are being impounded because of their mercury content. Since this is an immediate and urgent matter, may I ask whether the minister has looked into it. What are those fishermen to do? Are they immediately to go on unemployment insurance or are they to continue fishing on the understanding that any swordfish which may be landed will be purchased by the minister's department, in order that this important and viable industry may be continued in Atlantic Canada?

Mr. Davis: Mr. Speaker, the department has been in close touch with the fishermen and the vessel owners concerned. They understand the situation. They understand that there is little likelihood of our being able to pass, and therefore market, the swordfish that they are likely to catch. Probably some of the smaller, younger fish might meet the standards. Many of the larger and older swordfish are unlikely to meet these standards. As a result, we have the same problem facing us in respect

of this deep-sea fishery as we had with respect to some of our lakes in Western Canada. In that case, we had to ban fishing altogether and find ways of supporting the incomes of the commercial fishermen affected.

Mr. Barnett: Mr. Speaker, may I ask the minister a question before he concludes his remarks? At the same time, may I be permitted to join in the sentiments expressed by the minister and by the hon. member for South Shore (Mr. Crouse) with regard to our retiring Deputy Minister of Fisheries. Since the minister did not really touch upon this matter in his remarks, could he tell us what is to happen to our Department of Fisheries, which heretofore has been primarily responsible for the maintenance and enhancement of our commercial fisheries. What is to happen to the department, and how will that be related to the new department about which the minister has been speaking so eloquently?

Mr. Davis: Mr. Speaker, the responsibility for fisheries is most important. That is one of the major responsibilities given to the federal government under our constitution, the British North America Act. We must do our utmost to make sure that the fishery is maintained and nourished as effectively as possible. We shall be identifying various fisheries services. They will use the badges, letterheads and so on which formerly were used by the department. The functions of these services will be paralleled by the functions of the forestly services and the wildlife service. In other words, we shall have the Canada fisheries service, and it will use all the designations which formerly were used by the department. That also applies to the Canada forestry service and the Canada wildlife service.

Mr. McGrath: Mr. Speaker, with the indulgence of the House, may I be permitted to ask a question of the minister? In order to allay our fears over the future of the minister's fisheries responsibilities in Atlantic Canada, may I ask whether it is intended in future to appoint two deputy ministers, one to be responsible for fisheries and the other to be responsible for environmental pollution matters?

Mr. Davis: The answer is no, Mr. Speaker. We shall have one deputy minister who will bring about effective co-ordination within the department itself. In addition, we shall appoint several assistant deputy ministers, one of whom I believe will be an assistant deputy minister of fisheries.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I must say that I listened to the minister this afternoon with a great deal of interest. May I thank him for his courtesy in letting me have a copy of the speech he intended making. It is always easier, if one sees a copy of a speech before it is made, to follow the minister's remarks and to note the various points raised.

Before proceeding with the main part of my presentation, there are one or two comments I wish to make about the minister's remarks. I wish to talk about standards. The minister indicated that standards were being set up. I presume that they will be national standards. We should like to know whether they are being set up under the Fisheries Act or under the Canada Water Act, or whether they are to be established under the new wildlife services branch which is to be set up. I think all members will be interested in knowing that. Possibly I ought to have directed a question earlier to the minister on this matter.

The minister made a good point by indicating that he is very much opposed to the patchwork approach to pollution legislation in Canada. I am delighted to hear that. Nevertheless, in looking at the particular bill we are debating, it seems to me that it constitutes a patchwork approach to pollution problems. I say that for the simple and sole reason that it has not taken into account all aspects of pollution, and I think it ought to have done so. I intend to deal with that matter later in my speech.

The minister also said that he is opposed to pollution havens. Again, I think this is good news. I know that the minister has advocated this on numerous occasions. This shows me that at long last the truth of what we said when debating the Canada Water Act has come home to the government benches. Under the Canada Water Act, if water quality management areas as outlined in the legislation were set up, pollution havens would be created in Canada. If the standards are not equalized throughout the length and breadth of the country, pollution havens could be established in various provinces. The minister mentioned that we are to have uniform and national standards. I endorse this statement 100 per cent. This is a sound approach to the over-all problem. Of course, we do not think that the same standard ought to apply to every little patch of water in Canada. That was not our intenion, and the minister knows it. So far as I am concerned, the mere fact that the department is to move in the direction of imposing national standards shows that it is wise and sensible. Its action will indicate to industry all over Canada that we shall not allow pollution havens in any province or any part of any province. Again, I wish to make clear to members of the House that that was the precise point we tried to put across last year when debating the Canada Water Act.

Before coming to the bill itself, I wish to make one or two other observations. We understand that three new services are to be created, services dealing with fisheries, forestry and wildlife. I wish to leave this thought with the minister. We are going to have a wildlife service. When are we going to have a Canadian wildlife act? There must be a revision of all the ideas connected with wildlife. It will be necessary to study international agreements and hold discussions with representatives of other countries. We must move quickly along this line.

• (4:50 p.m.)

I wish to make a few comments about the bill we are currently debating, Bill C-207. I feel this bill is an example of poor legislation. There is no doubt about that. This bill encompasses several major principles, many of which have no relation to each other, apart from the fact that some slight change in government organization is taking place. A new department of the environment is to be

established. It will carry out a number of functions which other departments previously carried out. This should be the subject of a separate bill so that it could be debated independently of the other issues. It has no relation to the Public Service Superannuation Act which is discussed in Part VII. It does not have any relation to Part VI which relates to the post office. It does not have anything to do with the section dealing with the addition of a number of Parliamentary Secretaries to the government payroll. This is a clear indication that the bill should have been broken down into a number of separate and related topics and presented to the House in that form.

An omnibus bill of this type is an excellent way for the government to try and cover up some of the unpleasant moves it wishes to make by tying them to other pieces of legislation which might be acceptable. Hon. members are given the choice of either accepting or rejecting the whole package. This is not a sensible way of handling the nation's business. I trust that the procedural debate which took place yesterday will result in the elimination of this type of omnibus bill in the future. There are many items covered by the bill, but I intend to confine my remarks to Part I which establishes the new department of the environment. Possibly I should make a few general remarks on pollution before I start.

In May 1969, the United Nations made a report on problems of the human environment. It outlined the crisis of world-wide proportions which faces us in this field. Since that report of almost two years ago, we have increasing evidence of the deterioration which is occurring in every aspect of our environment. Even with warning signals flying everywhere, we are only toying with the problem. No all-out attack has been launched to find solutions to our problems. No concrete, over-all plan has been devised by this government to tackle this major and worsening situation. Perhaps a few comments from the United Nations report would put in proper perspective the need for a measure to launch an all-out attack on our pollution problems, rather than the partial and ineffective solutions offered in Part I of this reorganization bill.

The United Nations report emphasized that for the first time in the history of mankind a crisis of world-wide proportion involving the human environment was arising. The portents of this crisis were apparent in the explosive growth of human populations, the poor integration of a powerful and efficient technology with environmental requirements, the deterioration of agricultural lands, the unplanned extension of urban areas, the decrease of available space, and the growing danger of extinction of many forms of animal and plant life. The report stated that if current trends continued, the future of life on earth could be endangered. In dealing with pesticides, the report indicated that an estimated billion pounds of DDT had been dumped into our environment and that we were adding to it at an estimated rate of 100 million pounds per year. The total world production of pesticides was estimated at over 1,300,000,000 pounds annually.

The report estimated that 500 million hectares of arable land have already been lost through erosion and salinization. I point out that a hectare is 2.471 acres of land. Over one billion acres of arable lands have been lost to mankind through various types of mismanagement. The report indicated that two-thirds of the world's forest area has been lost to production and that 150 types of birds and animals have become extinct as a result of mans' actions. It estimated that another 1,000 species or races of wild animals are considered to be rare or endangered. A number of these are within the confines of our own country. The report indicated also that erosion, soil deterioration, deforestation, watershed damage and the destruction of animal and plant life continues, and in some areas are accelerating. This over-all type of loss is endangering man's existence on earth. The three basic causes of this deterioration or pollution of the human environment were classed as, the accelerated population growth, increased urbanization, and an expanded and efficient new technology. Each of these was closely associated with the increase in demands for space, food and natural resources. The failure of society to plan for logical and sensible development along these lines was leading to wholesale pollution of our environment and endangering the very existence of mankind on this earth.

Canada is a relatively young nation. We have one of the largest land masses in the world under our control. We have immense resources. Our population in relative terms is small, and yet we find that immense damage has been done to the human environment. Pollution is now classed as one of the major problems facing the Canadian nation. Many forms of wildlife have been endangered. Pesticides are affecting the quality of the fish, meat, and foods we eat. Recreational areas are being destroyed and because of their filthy and unhealthy conditions are being barred from public use. In many of our heavily industrialized areas, air pollution has become a major health hazard. Our Arctic and northern territories, which constitute 40 per cent of Canada's total area, are endangered because of lack of adequate land-use regulations. This is an area where the ecology is extremely fragile. Many of our major waterways are being used as sewers to flush untreated effluents into the lakes and oceans where they can wreck their damage on the ecology there.

We have inherited all these problems because of man's inherent greedy nature and the failure of governments over the years to realize that the prosperity of a nation must not be entirely based on economic values. We have too long worshipped the almighty dollar and allowed the rape of our natural resources to take place on an unprecedented scale, regardless of the consequences. It is up to us today, Mr. Speaker, to make some of the moves which should have been made generations ago, and insist that full and proper protection of our environment be one of the prime objectives of legislators. There will have to be a re-thinking and a re-shaping of the policies of all groups. If this is not done at an accelerated pace within the next few years, we might well find that man's existence on this globe will be extremely limited.

The bill before us is called the Government Organization Act, 1970. It provides for a re-organization of several government departments. It sets up a new department called the Department of the Environment. This new

department will include all the functions of the old Department of Fisheries and Forestry, along with a number of related services which have been moved out of other departments. There will also be some new directives for dealing with environmental pollution.

I feel this aspect of the bill setting up this new department of the environment, with an outline of its functions, is certainly an improvement over any existing federal efforts to deal with our widespread water pollution problems. However, Mr. Speaker, I feel that it falls far short of what we should be doing in this field. Several of the key requirements for adequate pollution control are missing from the legislation. Unless immediate action, such as I intend to outline, is taken on some of these matters I am afraid much of the legislation will be ineffective.

I should point out, Mr. Speaker, that on a number of occasions we have had re-organization of government departments in an effort to solve some of our economic and social problems. In many instances, the changes have not been too beneficial. The setting up of a new department is often the excuse for a further delay by government in carrying out much-needed reforms. The excuse is that the new department must be given time to organize its program and set out its priorities. However, if this new department is to be successful, there must be a wholesale change in this government's approach to our environmental problems.

• (5:00 p.m.)

If this policy change is not made, then all the switching around of government functions will do little to solve those problems which currently face us. It would be disastrous for our nation to try and lull the general public into feeling that an all-out attack by the federal government was taking place on our environmental problems when, in fact, very little was being done. There is little point in any government passing new regulations if they are not prepared to enforce the regulations which are already in effect and which, if they had been properly enforced in the past, would have eliminated most of the major pollution problems which now face us today.

Perhaps I should give several examples of the failure of the Canadian government to enforce pollution laws and pollution regulations which have been on our statute books for years. The best example is to be found in the Great Lakes and the St. Lawrence river system. In a 1909 treaty with the United States, we find this reference to pollution:

> It is further agreed that the waters herein defined as boundary waters and waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other.

Despite this clearcut directive that boundary waters shall not be polluted, we find that both Canada and the United States have totally ignored it, so that today parts of the Great Lakes system are among some of the worst polluted waters to be found on the continent. Just a few days ago in this House the Secretary of State for External Affairs (Mr. Sharp) tabled the final report of the International Joint Commission on Pollution of Lake Erie, Lake Ontario and the International Section of the St. Lawrence River. This report is a damning document of almost total neglect of this vast waterway by both the United States and Canada. It shows the complete lack of government concern over the years for the enforcement of pollution laws and regulations. Today, we are in the process of setting up programs to try and undo the terrible damage which we have caused to this water environment. The cost will run into the hundreds of millions of dollars and it will take a long period of time to restore in any real measure the quality of the water which we should have in this river system.

This failure of enforcement is related to practically every Act which we have in our statutes containing regulations pertaining to pollution. In most instances, these regulations have lain dormant for years and have been completely ignored by both the government and the general public alike. For example, no charges were laid under the Navigable Waters Protection Act during the years 1963 to 1969, for violations of those sections dealing with pollution of waters. Under the National Parks Act, only one infraction was recorded in the same seven year period. There were no pollution infractions charged under the Mining Act and the Migratory Birds Convention Act followed a similar pattern. A few infractions of the many hundreds of the Canada Shipping Act Provisions were reported and dealt with. The best attempt at enforcement was carried out by the fisheries department, and the many cases of mercury pollution, etc., which are turning up these days are a clear indication that a host of other charges should have been laid many years ago.

I feel it is essential for members to speak out on these issues. A reorganization of government departments is taking place. I presume this move is made with a view to having the new department operate more effectively and more efficiently. If the object of the government in setting up the new Department of the Environment is to lay a solid base for the solving of our environmental problems, then I feel that the move will be ineffective.

There is no doubt that there will be some improvement in dealing with our water resources, but even here the new department will be ineffective in many ways. I feel that the change has been made in an effort to lull the Canadian public into thinking that a real job will be done on all environmental problems. The mere structure of the new department, and the many missing components required to get at the basic cause of pollution, are indications that a major, all-out attack on our environmental problems will not be achieved by this reorganization.

To begin with, I feel the new department has been given the wrong name. I feel a better name would be the "Department of Renewable Resources". The structure of the department indicates that, in addition to the renewable resources of fisheries and forestry, it will be responsible for several former portfolios involving only renewable resources. This means it will be merely another of the competing departments of government. It will not be the effective, universal overseer of all environmental

activities. This department as set up is not intended to have any voice or control over those other government departments whose activities might have ramifications in the environment.

This must be crystal clear to all members of this House. If it did have this power, there is no doubt that there would be major friction between the minister for this proposed new department and every other department of government. I firmly believe that any authority dealing with our environment should not hold direct responsibility for a particular resource portfolio. Ministers who are responsible for fisheries, forestry, northern development, mining, manufacturing, agriculture, transportation, etc., have vested interests in pursuing activities most advantageous to their specific areas. It seems to me that a national environmental authority should be able to stand above the narrower concepts in order to judge the effects of all potentially relevant human activity.

There is absolutely no doubt that responsibility for any particular resource based industry might conflict with the responsibility to protect the environment from damage. Two good examples are to be found in the production of energy generated from hydro sources and in agriculture, where there is need to protect crops, even by the use of pesticides, which could cause major soil pollution and might in the long term have to be banned.

There are a number of alternatives to handling the environmental problems through this new department. We could set up a genuine department of environment with no direct responsibility for any particular resource portfolio. This department could be formed to take responsibility for coalescing an denforcing all current environmental control legislation. It could set and police national standards. It is absolutely essential that some move be made to correlate and enforce current laws. There is no indication that this will be done in the present legislation. For example, the new minister is not going to enforce the pollution regulations administered by the Department of Indian Affairs and Northern Development. This new department could be given the task of scrutinizing all activities in the country for their potential environmental impact. In this respect, adequate surveys on resource development projects would be undertaken before these projects were allowed to proceed. In this way adequate safeguards would be set up to protect and conserve our Canadian heritage.

• (5:10 p.m.)

A good example might be in the field of hydro. Here, full and adequate surveys would indicate the feasability of the project and the damage which might result to other aspects of our environment. I might add, this type of survey was desperately needed to measure the potential effects which the building of the Bennett Dam might have had on the vast Mackenzie Delta. There was no department charged with this responsibility at that time. There was no department to insist on this type of a survey, and there is nothing in the current legislation to indicate that this situation has been remedied.

The department should be asked to provide positive reclamation programs for those parts of the environment which have already suffered damage. Here again, we could pick up numerous examples where positive reclamation is required. One of the largest and most important of these examples is to be found in the Great Lakes and the St. Lawrence river systems, although there are dozens of reclamation projects needed in every part of the country.

The department should be given the power to develop a population policy for Canada. Many people consider that Canada is vastly underdeveloped, but population policies for Canada and the world will be one of the future keys to solving major pollution problems.

If the setting up of a department of environment such as I have outlined does not meet with the approval of the government, then perhaps the government would consider creating an Environmental Council of Canada. You might say these two suggested organizations would be somewhat similar, but one would have more power than the other. This Environmental Council would be similar to the National Pollution Control Commission which our party advocated when we were dealing with the Canada Water Act. The creation of an Environmental Council of Canada was recommended to the government by the Science Council of Canada. It should be a non-political organization sponsored by the government. Its basic role would be the provision to the public of facts about their environment upon which they would be able to base adequate value judgments. It is absolutely essential that the general public be given the cost in material welfare of providing a quality environment.

Canadians must have these facts, and they must be given a chance to make a choice once these facts are made known to them. This Environmental Council of Canada could be an independent Crown corporation with a directorate representative of environmental interests, with a small professional staff. It would conduct and publish the studies and forecasts of environmental problems in Canada. It could make analytical reviews of environmental questions which are the subject of public interest. It would, in effect, become the major source of informed opinion on environmental problems in our nation.

The council could be a valuable advisor to the government, if the government decided not to set up a separate department. It could stimulate particular ministers to an appreciation of the inter-relationship between resource uses and the necessity for considering problems in a larger context. It should draw attention to gaps in the support of environmentally oriented research. It should provide the inspiration and leverage for new kinds of activities in government departments. We have similar councils in Canada today. One is the Economic Council of Canada, which advises the government on economic problems. It publishes a report which is available to all individuals and groups in Canada. This report outlines the real economic problems facing the nation. Perhaps an environmental council of Canada, set up along similar lines, might also be able to provide Canadians with effective guidance on environmental problems. I bring this to the attention of the minister because I realize that the government is not too keen on setting up a new depart-

ment which will oversee all environmental problems throughout the nation.

I indicated at the beginning of my remarks that there were a number of major factors missing from the proposed new department of the environment. I have mentioned several, but one of the most important relates to finance. We need a national pollution control fund, call it what you like, and this is another of the keys to the solution of many of the most acute and persistent pollution problems which face us today. The federal government cannot really launch an effective campaign against environmental problems unless it is prepared to put up huge sums of money to launch an all-out attack against these problems.

It must be crystal clear to everyone in Canada who knows anything about pollution that one of the big problems holding back a number of solutions is that problem associated with money. Perhaps the best example can be found in the field of sewage treatment. Municipalities from one end of Canada to the other are anxious to deal with the sewage problems which face them. The fact is that the tax base of municipalities and provinces is too restricted for them to carry out any crash program on sewage treatment, although some funds are being made available by the federal government through the Central Mortgage and Housing Corporation. However, the amounts available for sewage treatment are insufficient to meet the problem.

In this respect, target dates should be set for the completion of secondary and tertiary plants and, most of all, money must be available at low interest rates to the municipalities so they can get the job done. There is much the federal and provincial governments can do to provide low cost loans. The failure of the federal government to take effective action along this line is an indication that it is derelict in its duty in so far as this aspect of pollution clean-up is concerned. There should be a right, by law, for every Canadian to live in clean environment, to breathe clean air and to use clean water. It should be a crime to pollute and our legislation, if necessary, should be enforced by an amendment to the Criminal Code making pollution a crime.

I have not much time left but there are one or two points I should like to summarize quickly, if I may. I feel that much wider use of advisory boards should be made by the government in so far as environmental problems are concerned. I realize that the minister is interested in this and has indicated that he intends to move in this direction. I hope he moves quickly because we have little time to lose.

Another reason I feel the new act is not going to be effective can be found by a consideration of schedule A. We find there are a number of very important pieces of legislation missing from this schedule. I have in mind legislation which the minister and his department will not be in a position to oversee. One of these pieces of legislation is the Arctic Water Pollution Prevention Act. Why should this department not have jurisdiction in respect of that Act? We passed legislation in an attempt to stop oil pollution of Arctic waters, and this Act should certainly be included in schedule A.

What about the National Parks Act? If there is any area which is part of the over-all environmental picture it is our national parks. Why is this Act not included in the new department along with some of the other functions taken from the various departments? The national parks represent one of the keys to our environmental protection, yet we find reference to this area missing from this list of legislation.

Let us consider the Navigable Waters Act. Why is this not one of the items which falls within the jurisdiction of the minister of this department? Because of this exclusion Mr. Bennett was able to build the Peace dam without having to come to the federal government. A crown corporation in the name of the province or in the name of the federal government is not covered by the terms of the Navigable Waters Act. One of the first thing we should do is make sure that the legislation we now have is amended in order to give this new department a chance to call for surveys when provincial governments, hydro companies or crown corporations want to dam a river.

• (5:20 p.m.)

Other pieces of legislation are missing. This is what makes me feel we will not get the effective control of our over-all environmental problems that we should get. Let us go up to the Arctic for a moment. Here we have our northern area, 40 per cent of Canada's total land mass, under the control of the Department of Indian Affairs and Northern Development. The emphasis there is on economic development. That department has a Deputy Minister who has been concentrating on economic development, and doing a good job, but who has totally ignored for many years any of the environmental problems which have been brought to the attention of the department. To-day, the same man is to be in charge of the economic development and environmental problems in the Arctic. As someone said, it is like putting the fox in charge of the chicken coop, because environmental problems will largely be ignored. These are the things which worry me.

I believe a thorough examination of the legislation should be made in an effort to have more controls in the department. If there is not a department with over-all authority to co-ordinate the services, set up standards, provide funds and set out priorities in respect of pollution problems in Canada, we will not have the effective controlling measure we should have. I thank the House, Mr. Speaker, for this opportunity to make these remarks. I can assure the minister that during the committee of the whole stage we intend to question very closely many of the policies and programs which have been outlined and which we trust may be amended in the proposed legislation.

Mr. Len Marchand (Kamloops-Cariboo): Mr. Speaker, a number of members on the other side of the House have expressed some reservations about the particular bill which is before us. I should like to say I have a reservation but it really does not have anything to do with this particular bill. I think this is a good bill. It encompasses a

number of studies, thoughts and new departures. I am very happy to participate in this debate and would like to limit my remarks mainly to the establishment of the new Department of the Environment.

The establishment of this department is a giant step forward which should go a long way toward overcoming the so-called pollution crisis about which so many people in Canada and in the world are concerned. I am not one of those who cries doom and gloom and thinks that everything is lost. I agree, however, that there are some serious problems in respect of air, water, soil and other kinds of pollution and that there remains much to be done. Because of the great concern shown by Canadians in the last few years, and the strong legislation brought forward by this government, I believe the battle against pollution is beginning to be won and that even greater strides will be made toward winning the battle in the next few years.

Yesterday the Leader of the New Democratic Party said that the creation of a new Department of the Environment lacks goals. I do not agree with this assessment. I believe it is very clear that the goal established here is to ensure and create a better and cleaner environment for Canadians. The creation of this department brings together in a single ministry those federal agencies which deal with our so-called renewable resources. I think it is a great idea to have one department deal with water, air, soil, fisheries, forestry and wildlife. In establishing a Department of the Environment, the government is following an integrated or indeed an ecological approach to the improvement of our environment. The key word here should be "ecology".

As one who has studied ecology, at least plant ecology, I am very pleased to hear the word used in much of our everyday conversation. Ecology is quite an old science. Indeed, it has been pointed out that it goes back to the days of Socrates. Just for the record, the term "ecology" was composed in 1885 by a zoologist named Reiter. His combination of the Greek roots "oikos", meaning home, and "logos", meaning study or discourse, etymologically implies study of organisms at home, although he made little further attempt at definition. A year later Haeckel, another zoologist, formulated a simple definition which was in keeping with the original usage of etymology and which remains today the most widely accepted definition of the scope of the word. Haeckel defined "ecology" as the study of the reciprocal relations between organisms and their environment.

A great many problems, indeed most of those involving the conservation of biologic resources, greatly over-reach the limits of any one field of specialization. Ecology is a science that integrates separate disciplines, synthesizes them and presents them as a system. It is very natural and right that the Canadian Wildlife Service should be with fisheries, foresty, and the other disciplines of the Department of the Environment. The minister outlined many of the reasons this should be so. The basic orientation of this branch is scientific in nature. For a long time I have felt the Wildlife service was rather out of place in the Department of Indian Affairs and Northern Development and would be better located in a department which was functionally oriented in the same direction as it. The same can be said in respect of the Water Resources Branch.

I also hope that as the new department begins its monumental task one of its functions will be to encourage more education in the environmental sciences. Ecological, or environmental education if you like, has been very lacking over the years in our Canadian universities. By and large, if a Canadian student wished to receive any kind of specialized education in the ecological sciences he had to go to a United States university. I am glad to note that recently courses in environmental studies are being offered at certain universities. At the University of Calgary they are offered up to Master's level; at the University of Manitoba up to Bachelor's level; at the University of Waterloo up to Bachelor's level; at the University of St. Jerome up to Bachelor's level and at York University up to the level of a Master's degree. Perhaps by definition I am omitting some very valuable courses offered by other universities, but I believe I have made my point. I hope the new Department of the Environment will do everything it can to rectify this situation.

In addition, I believe the Department should be involved in assistance at the pre-university level. With the type of expertise it has, it should be in an excellent position to give leadership in this field. Some schools boards and teachers' organizations have been doing some great work in this area but they need some encouragement, guidance and assistance. Just the other day I received a submission from the Kamloops School District No. 24, specifically from supporters of the McQueen Lake Environmental Study Centre, in which assistance was asked from this new department. I think they have an excellent program and I hope that their request meets with some success. The objectives of their projects are very laudable indeed. I should like to point out a few of them. The first is functional on-side activities of man and also an aesthetic appreciation by man of nature. Some examples of environmental studies approached by students are these: In art, simple mosaics from leaves, grass and twigs; landscape painting and inspiration for landscape painting.

• (5:30 p.m.)

In the field of ecology there is human, ecological history of homesteaders, pond life, grasslands, forests and over-all environment. I could go on. In zoology, they suggest the migration of birds and animals, nesting of birds, life cycles of small mammals, and insect life. All these should be studied more intensively. This is the kind of thing that the new department could encourage by helping out the organizations that I have named.

I was very pleased to hear the hon. member for Kootenay West (Mr. Harding) suggest that an environmental council should be established to advise the minister and to bring attention to the things that are being done in the field of environmental sciences, particularly the work that is being done by the new department. I suggested

this at one time in a question I put to the Prime Minister (Mr. Trudeau), and I hope that the Minister of Fisheries and Forestry (Mr. Davis), and indeed the Prime Minister, will give this matter very serious consideration.

I think that the whole government approach to pollution control and environmental quality should be put together. I sympathize with the hon. member to some degree when he points out that perhaps certain other matters should also be dealt with by the new department of environment. On the other hands, the department might then become too large. I am not in favour of creating what might be called a pollution czar, and I think perhaps if this were done by the government under the bill before us, the first criticism that might be levelled by opposition members would be that the minister is an empire builder.

The hon. member made another good point with regard to population. I feel that this is going to be a serious problem which we will have to face in the next few years. Over-population is certainly a serious problem. I do not know whether it will come under the jurisdiction of the new department of environment, but I hope that the minister can also give this serious subject some consideration.

I was going to deal with the matter of standards but perhaps I will leave it for now. I was a member of the committee dealing with the Canada Water Act. Much of the debate here centred about a lack of definition. I agree with the minister when he says that we should not create pollution havens. We also said this in the debate on the Canada Water Act. At the same time, we have to recognize ecological differences between the different waterways and in different parts of the country. I hope that, as a result of the remarks the minister made today, this whole question will receive a much clearer treatment in the next few months.

I agree with one thing which the Leader of the New Democratic Party said yesterday and which I will paraphrase. He said that the present Minister of Fisheries and Forestry was a good minister. He said that he had confidence the minister would do the job that is required because of the record he has achieved in the last couple of years. May I add that the people of Kamloops are very proud of the Minister of Fisheries and Forestry who was born and raised there. Even though he has not lived there since his late teens, he is still considered a native of that area.

In closing I want to wish the minister luck in his new department. I know that most of the Canadian people will be with him in his efforts.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I am delighted to be able to participate in this debate which I consider to be very important, since this bill deals with a great number of matters, all of which are more or less important. I believe that pollution is perhaps the main subject matter of Bill C-207 and this is why I would like to elaborate on it.

However, I feel that other sections of this bill should have been dealt with separately because we more or less object to them. In passing, may I say that this method of introducing omnibus bills leaves us in a rather difficult situation. Hon. members will understand that we agree with certain aspects of a bill such as this while we disagree with others.

On second reading, especially, we have to commit ourselves with regard to the principle of the bill. That puts us in a rather difficult situation. That is why I feel that, although the practice dates back quite some time, as soon as we find that it does not meet the proposed objectives or the needs of the debate, it should simply be set aside. We should not feel bound by tradition.

Mr. Speaker, I should now like to deal more specifically with the problem of pollution. It is difficult, over a short period of time, to delve into all the aspects of an omnibus bill such as this one, and if the occasion arises, I shall at a later date deal with the other aspects of the bill.

Pollution is not a new problem. It has been around for a long time, but apparently we have only been concerned about it for a few years. It is evident that rivers have long been polluted, but the flow of some of them enabled us to protect the supply of drinking water. However, as population increased in some of our cities, pollution has worsened and we have continued to use those rivers as open sewers. Today, we must bear the consequences.

Industries set up on shore-lines have also contributed to their pollution. Now, we know that a single plant producing 1,000 tons of pulp daily consumes as much oxygen as a city of 250,000 inhabitants.

It is readily realized that the owners of the numerous factories which must satisfy the needs of consumers, whether they are pulp mills, oil refineries, or even alcohol distilleries, are more interested in picking up profits than in the protection of the consumer. The great number of factories has largely contributed to the pollution of streams, rivers, the Great Lakes and even the ocean.

I feel that our governments, as well as those of other countries, must undertake a battle against pollution. I trust that the neighbouring countries have provided for this, now, and that they will keep on taking the required measures so as to contribute to the control of water and air pollution.

For a long time in the history of Canada disputes have arisen between border cities about air pollution, for example. You will recall the discussions in Trail, B.C., some years ago which degenerated into legal action. Such events have gradually made the population and the governments aware of the necessity to undertake this fight against pollution.

It gives us some satisfaction to see that the industries themselves have come to the point where they admit

they are sources of pollution. Who would have thought this possible only ten years ago?

I have on hand a booklet dealing with the concern of the pulp and paper industry over water pollution. It is an article written by Mr. Robert Snorton about a conference held in Washington on October 23 and 24, 1969, under the auspices of the United States Department of the Interior. If the industries that have been the worst offenders with regard to the pollution of our rivers and waterways are worried, the time has come for them to participate in the fight against water pollution, first of all by modifying their plants and by putting a stop to their dumping of waste in waterways.

A few weeks ago, the hon. member for Témiscamingue (Mr. Caouette) and myself asked questions in the House about mercury pollution in James Bay. We believe that pulp and paper mills in Quebec and in Ontario dump their waste in the rivers flowing into James Bay. As a result, the hunting of white whale was forbidden there last year, because mercury pollution exceeded the rate acceptable for consumption.

The directors of pulp and paper industries, not only in Northern Quebec and Northern Ontario, but across Canada, should take steps to put a stop to the pollution

• (5:40 p.m.)

Mr. Speaker, the recent examples of Dow Chemical, Wyandotte Chemicals, CIL and ALCAN which admitted having discharged mercury into the Great Lakes and the St. Lawrence shows the tragic importance taken by industrial pollution.

We are now being told that those industries do not want to take the responsibility for correcting this situation. According to the Quebec Water Board, 140 gallons of water are required to produce one barrel of oil, 20,000 gallons of water for a ton of paper, 450 gallons for a barrel of beer. It takes 100 gallons of water to produce one gallon of alcohol.

In a white paper published in February 1970, the Water Board estimates that 80 per cent of water pollution results from industrial activity. A paper mill which produces 1,000 tons of pulp a day consumes as much oxygen as a town with a population of 250,000 people.

These industries use up an enormous quantity of water to produce beer, oil or pulp and our resources are limited, although we have believed for a long time that they were not. We are being told that only 3 per cent of all water available in the world is fresh water and that two-thirds of this fresh water is frozen at the poles.

For these reasons, we should not waste our freshwater resources even if we consider our low level of pollution, our relatively low population and the number of lakes and rivers in Canada.

I think that it is not only up to governments to use the taxpayers' money to fight pollution but also our biggest industries which contributed so much to our water pollution should share in this effort.

I was appalled yesterday when I read the statement made on January 26 by Mr. Arnold Hart, Chairman of the Bank of Montreal and I quote:

The Canadian people must be willing to forgo abundance so as to palliate the cost of pollution.

Mr. Speaker, the government is surely able to fight efficiently against pollution without having to deprive their citizens.

I suppose that, according to Mr. Hart's statement, the taxpayers will be asked to pay more taxes by the government, to provide for such an effort, but I do not think they should be deprived of the present abundance in order to pay for that. According to Mr. Hart, we have no other alternative than being poisoned or being starved to death.

There is no reason for us to die on account of that. Our institutions should be sufficiently organized and financed to fight successfully, without people having to suffer financially.

Among other things, Mr. Hart has this to say, and I quote:

—that is where the problem lies.

—any effort to combat pollution will result in economic restraints—

Such financiers fear so much lesser profits that they are anxious and frightened about the war on pollution.

Whether the bill is paid by our industries or our government, the consumer will bear the costs in the long run. The new Minister of the Environment should be smart enough to control this war on pollution, to prevent abuses, and exorbitant expenses leading nowhere. Besides, he should make sure that necessary legislation is introduced to put an end the pollution of our waterways.

I believe that industries should be required to treat sewage and smoke from their plants. New installations will be needed to reach such goals. New industries should be called upon to treat their sewage before returning it to nature, and also to adopt measures preventing air pollution.

Northern Ontario, especially Sudbury, has plentiful mineral resources, but nearing Sudbury, one is astonished by the view it offers. There is no need to set on an interplanetary trip to see what the moon is made of. A visit to the Sudbury region would give a notion of what the lunar landscape looks like. Air and water are so polluted that vegetal and, animal life is nonexisting. I am blaming both the Ontario and Ottawa authorities for having allowed this situation to develop around a city whose inhabitants should be permitted to lead a normal life.

• (5:50 p.m.)

Cities should also be compelled to treat their sewage. Surely there is some legislation allowing cities to borrow and benefit from incentives to build water filtration plants; some of them did it but many others, in spite of government legislation and of certain incentives, have not been able to do it because their finances, their charter or their tax assessment did not enable them to raise sufficient capital to undertake such schemes.

As for shipping, our laws have not been enforced with sufficient severity. I know there is legislation which forbids ships operating in our rivers, our lakes, or close to our coasts to discharge oil, but the fine is so small that they find it more economical to dump oil into the St.

Lawrence or into our lakes. Our laws are repeatedly broken since it is found more profitable to pay the fine.

I believe the act should be altered and that steps should be taken—this is very urgent—to ensure that transportation of hydrocarbons by vessel be strictly regulated in order to avoid such disasters as have taken place recently off Canadian coasts and those of many other countries. Tankers are damaged, or go into collisions and there is immediately a panic because of the disappearance of life near those coasts, which leads to immeasurable ecologic perturbations.

In my opinion, governments should agree to draw up much stricter regulations governing the manufacture of tankers that navigate in our waters, and take the steps required to avoid such frequent disasters.

In this respect, there would certainly be plenty to do. Research is also needed to find out the various effective ways of fighting pollution. I know that our country, Canada, can count on the services of scientists who are quite willing to work and who are highly qualified to undertake and pursue this kind of research. They will work at it efficiently and at a cost that will still be reasonable.

I want to assure the House, the department and the minister who will be appointed, of my co-operation in this regard. I am sure that averything will be done in the interests of Canada and that all hon. members will work hand in hand with him. This way the government will make sure that our country does not become poisoned by polluted water and polluted air. Any legislation aimed at preserving us from these hazards is welcome not only by hon. members but also by the entire population.

[*English*]

Mr. Hales: Mr. Speaker, may I call it six o'clock. It is only one minute to six. If Your Honour and members of the House agree, may we call it six o'clock.

Some hon. Members: Agreed.

At six o'clock the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, January 28, 1971

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

FINANCE, TRADE AND ECONOMIC AFFAIRS

Sixth report of Standing Committee on Finance, Trade and Economic Affairs, in both official languages—Mr. Clermont.

[*English*]

PUBLIC ACCOUNTS

Third report of Standing Committee on Public Accounts—Mr. Hales.

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

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT—FEDERAL GOVERNMENT PLANS TO ALLEVIATE PROBLEM—ESTIMATE OF JOBS TO BE PRODUCED

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Acting Prime Minister. In view of the statement made yesterday by Alberta's minister of welfare that he was coming to the welfare conference "not to discuss welfare programs but to discuss unemployment, which is causing welfare costs to soar, and to find out what the federal government is going to do to reduce unemployment", will the Acting Prime Minister take the opportunity tomorrow on motions to outline to the House what answer the federal government has to give to provincial inquiries of this kind which are made with great seriousness? At the same time, would he outline to the House and the country what estimate the government has concerning the number of new jobs its present program to fight unemployment is expected to produce in the next three months?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I share with the hon. gentleman the view that unemployment is the most serious problem with which the country is faced at the moment, and I am not at all surprised that the Alberta minister should regard this as a most important issue to have before this conference. I can assure the hon. member that our representatives at the conference share that view and will be ready to discuss it with the Alberta minister.

Mr. Hees: The minister, as usually happens, did not answer my question. I would ask him again if he would take the first opportunity on motions to outline what the government is going to do to fight unemployment, as requested by the minister of welfare of Alberta. If he will not do this, would he outline to the House and to the country the government's estimate—and it must have an estimate—of the number of new jobs it expects its present program to produce in the next three months?

Mr. Sharp: On a number of occasions the Minister of Finance has dealt with this question. I would point out to the hon. member, however, that there has been a very substantial increase in employment already this year, and we expect there will be a further increase.

Mr. Hees: You mean unemployment.

Mr. Sharp: No, both. This is the essence of the problem we face, namely, that there is an increasing number of jobs in the country but the labour force happens at this particular time to be increasing much more rapidly.

Mr. Hees: As the minister refuses to answer my question, I would ask him whether it is not obvious that the government's program is in reality expected to produce very few new jobs, and is it not a bluff intended to kid the Canadian people that something is being done?

Mr. Speaker: Order, please.

UNEMPLOYMENT—SUGGESTED INCREASE IN FEDERAL GOVERNMENT CONTRIBUTION UNDER CANADA ASSISTANCE PLAN

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask whether the government is prepared to offer to the provinces at the welfare conference an increase in the percentage paid by the federal government under the Canada Assistance Plan to 60 or 65 per cent?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I expect that this question will be raised in the discussions today and tomorrow. The government is not yet in a position to give an answer.

UNEMPLOYMENT—SUGGESTED ASSISTANCE TO MUNICIPALITIES AND PROVINCES TO MEET WELFARE COSTS

Mr. Eldon M. Woolliams (Calgary North): My question is for the Acting Prime Minister. In view of the fact that

the high rate of unemployment is causing such a heavy financial burden on the cities and provinces I wonder whether at the welfare conference or at a special conference of the premiers of Canada which would be called immediately the Acting Prime Minister would outline a policy and discuss with the premiers some financial assistance to the municipalities and provinces?

Hon. Mitchell Sharp (Acting Prime Minister): The Prime Ministers of Canada will shortly be meeting here in Ottawa and I expect that they will raise these kinds of questions.

Mr. Woolliams: Yes, I think they will.

UNEMPLOYMENT—POSITION OF PROVINCES ON IMMEDIATE AMENDMENTS TO UNEMPLOYMENT INSURANCE ACT—EARLIER INTRODUCTION OF LEGISLATION

Mr. Lincoln M. Alexander (Hamilton West): In light of the assurance given yesterday by the Minister of Labour that the federal government would bring to the attention of the provinces the need for immediate amendments to the Unemployment Insurance Act regarding benefits for the hard-core and young unemployed, would the Acting Prime Minister undertake to keep the House fully informed on whether any provinces express opposition to emergency reform along these lines, and if so, which province or provinces?

Hon. Mitchell Sharp (Acting Prime Minister): Yes, Mr. Speaker. I expect these problems will be aired and there will be an opportunity not only for the House but for the country as a whole to be aware of the representations of the provinces.

Mr. Alexander: If agreement with the provinces on this matter can be obtained, will the government introduce two specific emergency amendments regarding access and benefits for the hard-core and young unemployed this winter and spring rather than wait until July 1, 1971?

Mr. Sharp: No, Mr. Speaker. As the Minister of Labour said yesterday, there is a timetable for the introduction of unemployment insurance legislation. This will be adhered to. I would remind hon. members that steps have already been taken to increase the benefits.

Mr. Alexander: So you do nothing for four months.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I wish to direct a supplementary question to the Minister of Manpower and Immigration. Could he indicate to the House whether the hammering and drilling we can hear back in this corner are an indication of the increased number of jobs being offered by the government in Ottawa?

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a supplementary question to the Acting Prime Minister. Would the government give consideration to increasing the salaries of its employees so that they will not have to be on welfare at the present time, as was reported on the news this morning over the CBC?

[Mr. Woolliams.]

Mr. Speaker: Order, please. The hon. member for Egmont. I should point out that we will have to go on to the hon. member for Nanaimo-Cowichan-The Islands in a moment, but the Chair will recognize the hon. member for Egmont at this time.

UNEMPLOYMENT—RESPONSE TO REQUEST OF FEDERATION OF MAYORS AND MUNICIPALITIES FOR WINTER WORKS AND OTHER PROGRAMS

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a supplementary question to the Acting Prime Minister. In light of the conclusion reached following the survey conducted recently by the Canadian Federation of Mayors and Municipalities that federal programs are inadequate to solve urban unemployment, and their request for consultation to consider possible winter works programs, crash programs, etc., would the Acting Prime Minister indicate what response was made to the Association of Mayors and Municipalities on this important question?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I cannot answer that question. However, I do want to say to the hon. member that I am sure he would agree that under our constitution it is not only legal but it is also a matter of government policy to discuss the position of the municipalities with the governments that have responsibility for them, namely, the provincial governments.

Mr. MacDonald (Egmont): Mr. Speaker, in light of the Acting Prime Minister's response, would he ascertain whether there will be consultation with the provinces shortly on this important question, or whether in fact anyone in the ministry has received such a request, because apparently it was forwarded to the government a few days ago?

Mr. Sharp: Mr. Speaker, as I said today and as was said by another hon. member from that side of the House, the ministers who are attending the Council of Welfare Ministers are raising these questions. They will be discussed. I can assure hon. members that no one has a greater concern for the problems of unemployment than the members on this side of the House.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

* * *

PUBLIC SERVICE

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—MINISTERIAL AUTHORIZATION FOR MEMORANDUM—DISCIPLINARY ACTION RESPECTING CIRCULATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Acting Prime Minister arising out of the memorandum tabled by the

President of the Treasury Board on Tuesday entitled, "Special Recruitment of Francophones in the Public Service." Since the Acting Prime Minister has now had several days to look into this matter, I want to ask him whether this memorandum was drafted and circulated with the knowledge and consent of any ministers? The President of the Treasury Board has already said that it was done without his knowledge. I want to know whether the Secretary of State, the Acting Prime Minister or any other minister knew of this memorandum and, if so, which minister authorized its circulation?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I have not had an opportunity of canvassing all my colleagues but I have spoken to those who might be directly concerned, namely, the President of the Treasury Board and the Secretary of State who have responsibilities in the field of the Public Service, and I have ascertained that they were not aware of the contents of this circular.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, am I to take it from the minister's reply that this memorandum was circulated solely on the initiative of the Public Service Commission? If so, does the Public Service Commission have the authority to commit the government to an additional $2 million annually over and above the regular appropriations, and does it have the authority to set aside the merit system on its own initiative.

Mr. Speaker: Order. I have the impression that the second part of the hon. member's question has already been asked, but obviously because the hon. member appears to place great importance on the matter the minister should be allowed to reply.

Mr. Sharp: Mr. Speaker, as I said in the House the other day, there has been no money appropriated by parliament yet for next year, and before any money would be expended for this purpose not only would the Treasury Board have to approve it, not only would the government have to approve it, but parliament would have to approve it. No money has been appropriated for this purpose yet.

Some hon. Members: Hear, hear!

Mr. Sharp: On the second point may I say that I for one and the government as a whole are interested—I do not know what the view of the hon. member may be—in the recruitment of more Francophone Canadians into the Public Service.

Some hon. Members: Hear, hear!

Mr. Sharp: That is the purpose of government policy which has been endorsed in all parts of the country. I hope it is supported by my hon. friend and by all those on the opposite side. This policy is being implemented. We have under study a proposal which would help to effect this purpose. Just how it is going to be worked out we do not know yet. There is simply a study under way, and we hope that we can find some way of accomplishing our purpose.

Some hon. Members: Hear, hear!

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact—

Mr. Speaker: Order, please. I apologize to the hon. member. Apparently the hon. member for Egmont seeks the floor on a question of privilege.

Mr. MacDonald (Egmont): Mr. Speaker, I rise on a question of privilege because I am sure that the Acting Prime Minister would not even wish to suggest by his response that there has been any change in the position from that originally enunciated when the vote was taken in the House and hon. members in fact supported that policy.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. That has nothing to do with a question of privilege.

Mr. Forrestall: With respect, Mr. Speaker, it certainly has something to do with it because certain implications arise from this nonsense.

Mr. Speaker: Order, please. The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since the policy of bilingualism in the Public Service is not at issue, may I ask the Acting Prime Minister whether the government proposes to take any disciplinary action with respect to the circulation of the memorandum outlining a program which is in complete violation of the Public Service Employment Act and seeks to destroy the merit system which has been established in this country for decades?

Mr. Sharp: Mr. Speaker, I do not believe that in this case the merit system is at issue.

Some hon. Members: Oh, oh!

Mr. Sharp: It is perfectly possible within the merit system—this has been thoroughly supported by the bilingualism commission, by the government and by the Public Service Commission—to bring more Francophone Canadians into the Public Service. I can assure the hon. member that this government is thoroughly committed to and will observe the merit system in bringing more Francophone Canadians into the Public Service.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Inquiries of the Ministry

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—ONE-CANADA POLICY

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister. Does the Acting Prime Minister feel that spending $2 million of the taxpayers' money on a specific group of university graduates from one province is in keeping with the government's proposal for a one-Canada policy?

Mr. Speaker: Order, please. The hon. member is inviting the minister to express an opinion and in those terms the question is not in order.

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—RCMP INQUIRY INTO DISCLOSURE OF MEMORANDUM

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, since the Acting Prime Minister has investigated the actions of members of cabinet to find out where the leak was, would he inform the House whether the RCMP have been asked to conduct an investigation into the leaking of the confidential memorandum on the special program to provide employment for Francophones in the Public Service?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker.

Mr. Woolliams: Why not, Mr. Speaker?

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—APPLICATION TO NOVA SCOTIA

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister. When this program is under way, will it also apply to Francophone students from the province of Nova Scotia? Will they be given every opportunity to participate?

An hon. Member: Include New Brunswick as well.

Mr. Muir: Will they have the same opportunity as the students of any other province?

An hon. Member: Including New Brunswick.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I certainly hope so, and if there were any danger that in any way we were not giving all Canadians an equal opportunity to join the Public Service—

Mr. Diefenbaker: You are not.

Mr. Sharp: —then I would certainly think that the government ought to be condemned. But I do not think that it should be condemned just because special efforts are being made to bring more Francophone Canadians into the Public Service. I have been a public servant and I know about this—

Some hon. Members: Oh, oh!

[Mr. Sharp.]

Some hon. Members: Sit down!

Mr. Speaker: Order, please.

Mr. Forrestall: There speaks an ex-mandarin.

Mr. Muir: If the Acting Prime Minister seriously and sincerely believes what he is saying, why did this memorandum only mention Francophone students from the province of Quebec and not the province of Nova Scotia where there are many French-speaking students?

Mr. Sharp: The answer is very simple. This is not the whole of our program.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

[*Translation*]

SUGGESTED INCREASE IN NUMBERS TO BE EMPLOYED UNDER PROGRAM FOR HIRING OF FRANCOPHONES

Mr. René Matte (Champlain): Mr. Speaker, I would like to ask a supplementary question.

Since the number of 250 French-speaking civil servants represents only a small part of the federal civil service, could the Acting Prime Minister say whether the government would consider increasing the number to about 2,000 to make it a fair proportion of French-speaking employees?

SUGGESTED EARLY IMPLEMENTATION OF PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question.

Considering the importance of the French-speaking representation within the civil service and the comments which could reduce it, could I ask the Prime Minister—

Some hon. Members: Oh, oh!

Mr. La Salle: —if you would be kind enough to let me ask my question, you will perhaps understand what I mean.

I would like to ask the Acting Prime Minister if he can assure us that the memorandum, in view of its importance, will be tabled as soon as possible in the House in order to enable those who wish to have a fair representation in the civil service to support it?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am glad to see some support from the other side of the House.

Some hon. Members: Hear, hear!

Mr. Sharp: When the estimates are under consideration, we have promised to facilitate all proceedings and to get all the facts before a committee of this House and the House. We have nothing to hide in this respect.

Some hon. Members: Hear hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I see four or five members who are very anxious to ask supplementaires on this subject. I doubt whether we should spend the rest of the question period on this matter, although I realize it is important. Perhaps the hon. member for Prince Edward-Hastings might be recognized for the moment.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, this is obviously a very important matter. A few moments ago the Acting Prime Minister indicated that what has come to light through this leak is only a very small part of the program. When may the House and the country expect to learn more of the program through ministers, or do we have to wait for leaks through the press and radio? When will we learn this?

Mr. Speaker: Order, please.

Mr. Donald MacInnis (Cape Breton-East Richmond): The Acting Prime Minister stated that all the facts will be ascertained at the time the estimates are before the House. How is that possible when the Acting Prime Minister cannot find out from his own cabinet ministers who was responsible for the memorandum?

Mr. Speaker: Order, please. I suggest to hon. members that the questions are now becoming slightly argumentative. I realize that the matter is important. Will the hon. member kindly resume his seat. Other hon. members may want to ask questions about this very interesting matter, but in fairness to other members who may want to bring other important and interesting matters to the attention of the government, perhaps we might go on to the next subject and in due course return to those hon. members who want to pursue this matter.

* * *

GRAIN

PROGRESS OF NEGOTIATIONS ON NEW AGREEMENT TO REPLACE INTERNATIONAL GRAINS ARRANGEMENT—NATURE OF CANADIAN REPRESENTATIONS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the minister responsible for the Canadian Wheat Board. Is the minister in a position to advise the farmers of Canada generally and western farmers in particular whether, as a result of the ten days of meetings so far in Geneva, there is any indication that a new agreement will be entered into between the nations to take the place of the International Grains Arrangement?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, beyond confirming the continuation of the negotiations and Canada's participation in all of the committees at these meetings I do not think it would be helpful or appropriate to comment upon the progress of the negotiations themselves.

Mr. Diefenbaker: Then may I put this question, Mr. Speaker, since this is also something which, as the Acting Prime Minister himself said, should not be hidden. Do the Canadian representatives at the meeting favour controlling production to match demand, an end to crop subsidy payments, maintenance by producers of fixed floor prices, and importers buying at uniform rates? Are these some of the representations that Canada is making?

Mr. Lang: Mr. Speaker, I think I should simply repeat my previous answer, except that I should add that some of the matters included in the question of the right hon. gentleman are far from anything that anybody would represent. Our position in general is well known. We favour an international agreement, one that will be of interest to this country. It is also well known that we believe in a free trading world in which those countries that are supporting an inefficient agricultural industry should make more room for our production. This policy is also well known and I am sure it is being put forward at the meetings.

Mr. Diefenbaker: I thank the minister for his answer. What I was reading from were the representations made by the Canadian delegation and given by the press. Would the minister now tell the House which of the matters I mentioned are so far from the thinking of the Canadian government as to shock his finer sensibilities?

PRODUCTION AND RECEIPTS POLICY—AMOUNT OF FARMERS' CONTRIBUTION—MAXIMUM GOVERNMENT FINANCIAL PARTICIPATION

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to ask the minister responsible for the Wheat Board whether, in view of the stand taken by the Canadian Federation of Agriculture that contributions by grain growers to a stabilization plan should not exceed a maximum of one per cent, the minister is prepared to accept this as the maximum burden that he could expect to place on the western grain growers at this time?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, many discussions have been going on, as all hon. members know. In these discussions, not surprisingly, the farm organizations have tended to suggest that if the farmers pay less rather than more the plan would be more attractive to them. What we have to try to do is to determine from our discussions where they put their priorities in terms of types of program, and then as a government we must reach a conclusion as to the total amount of financing that may be possible out of general revenue.

Mr. Gleave: Mr. Speaker, in view of the minister's statement at the meeting he had with the Manitoba Farm Bureau in which he said that he recognized there would have to be a limit to the amount of money which would be available, is he prepared to inform the House what is the maximum contribution, subsidy or aid the government is prepared to make available to the western grain grower?

Inquiries of the Ministry

Mr. Lang: Mr. Speaker, the proposals presented in the House on October 29 indicated a certain level of participation which the government was obviously considering as reasonable. As I indicated to the CFA yesterday, this is the kind of question that is bound to be under continuing review as circumstances change and as the facts become more readily apparent to everyone concerned.

INQUIRY AS TO ANNOUNCEMENT OF REGULATIONS RESPECTING PROTEIN GRADING OF WHEAT

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, may I direct a supplementary question to the minister in charge of the Wheat Board. Because of its importance to our export trade and in view of the very great interest in the matter on the Prairies, can the minister inform the House when he will announce the regulations under the new Canada Grain Act which will authorize protein grading for wheat?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we hope that within a very few days we will have the regulations ready so that the Act can be proclaimed. With regard to the protein grading aspects or the changes in the grades taking into account protein, we are required to give some notice of this. I think I have already stated that we hope to make a start on this at the beginning of the new crop year so far as grades to the farmers are concerned.

PRODUCTION AND RECEIPTS POLICY—OPPORTUNITY FOR HOUSE DEBATE PRIOR TO FINAL DETERMINATION—REQUEST FOR BACKGROUND PAPERS

Mr. John Burton (Regina East): Mr. Speaker, I have a question for the minister in charge of the Wheat Board. In view of the importance of the grain policy proposals and the varying views that have been expressed by the Canadian Federation of Agriculture at the meeting this week, will an opportunity be given the House to debate this important matter before the proposals of the government are finalized? May I also ask the minister whether he is in a position now to provide an answer to my inquiry of Monday last whether background analyses and information developed with respect to the government's proposal will be tabled or otherwise made available?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, it would be my hope that we would make to the House a further presentation of the government view on what the proposals should be and to make this presentation in the form of legislation that would then be put before the House and a committee of the House for full discussion and debate.

I have looked into the question of the tabling of background studies and information, but I find that so much of the total development of the program is in a variety of forms as not to be suitable for tabling. It would be inappropriate to present to the House at this stage those portions which are in fact on pieces of paper, though of course it would be my intention to answer very fully questions asked by hon. members, and indeed to provide for the fullest exploration of the subject by hon. members at the committee stage.

WHEAT—INQUIRY AS TO INTRODUCTION OF TWO-PRICE SYSTEM

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the minister who answers for the Wheat Board. In line with the thinking he expressed to the Canadian Federation of Agriculture and his statement that "it is essential that every effort be made to maximize the return to the grain producer from the sale of his product both at home and in export markets", is the government giving consideration at this time to establishing a two-price system for wheat, since it takes Canadians four minutes to earn the money to buy one pound of bread compared with 12 minutes in Russia and 27 minutes in Japan, which might also be in line with some of the—

Mr. Speaker: Order. Perhaps the minister might be allowed to reply, but I have to caution hon. members that in a few minutes we will be running out of time and we have not even completed the first round of questions.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Naturally, Mr. Speaker, we are conscious of the representations that are made by distinguished farm organizations on this or any other subject. This really forms a part of the total analysis of the appropriate amount of assistance or financial help that can be made available to the agricultural industry.

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TRADE

MEAT—INSTRUCTION OF NEW ZEALAND PACKERS BY CANADIAN EXPERTS ON CUTTING AND PACKAGING

Mr. Cliff Downey (Battle River): Mr. Speaker, I have a question which I will direct to the Parliamentary Secretary to the Minister of Industry, Trade and Commerce. It concerns the Canadian team of experts who were sent to New Zealand to instruct meat packers in that country on the cutting and packaging of meats for the Canadian market. Does he not think that this gives an unfair advantage to these people who are competing with our packers for markets in this country?

Mr. Speaker: Order. The hon. member is inviting the Parliamentary Secretary to express an opinion in relation to the opinion that he himself has expressed indirectly, and to that extent the question is not permitted.

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[*Translation*]

REGIONAL ECONOMIC EXPANSION

ASBESTOS, QUE.—ASSISTANCE TO LANDSLIDE VICTIMS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

Since damages resulting from the recent landslides in the town of Asbestos, in Quebec, will amount to several million dollars, could the minister say if he has been consulted by the municipal authorities with a vew to redeveloping that part of the town of Asbestos and assisting the victims?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I have received a telegram from the mayor of the town who has asked if he could see me regarding this matter.

[*English*]

Mr. Speaker: The hon. member for Swift Current-Maple Creek. Order. Perhaps the hon. member would allow me to recognize the hon. member for Richmond for a supplementary, and I will come to him in a moment.

[*Translation*]

Mr. Beaudoin: Mr. Speaker, I have a supplementary question.

Could the minister tell us whether the mayor has mentioned when he would like to meet him?

Mr. Marchand (Langelier): As soon as possible, Mr. Speaker.

* * *

[*English*]

CORPORATE AFFAIRS

REQUEST FOR CANCELLATION OF FINES FOR LATE FILING OF RETURNS BY SMALL BUSINESSES

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, my question is directed to the Acting Prime Minister. Because small businesses in Canada are encountering difficulties in making collections, will the government cancel or declare a moratorium on monetary fines for late filing of government returns, as the penalties imposed are to a large degree a form of blackmail on the part of the government?

Mr. Speaker: Order, please. The first part of the question is in order, but I would think that the second part is more in the form of an argument. The hon. member may want to rephrase the question, but in any event the first part is quite in order and perhaps the minister might be allowed to reply.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I take it that this is in the form of a representation that we should forego monetary penalties. We do not have the subject under consideration at the present time.

Mr. McIntosh: Does the Acting Prime Minister not agree that many of the delays in filing have been brought about by circumstances of the government's own making such as its inability to sell western grain or to cope with the high rate of unemployment?

Mr. Speaker: Order, please.

Inquiries of the Ministry

FINANCE

GOVERNMENT REPRESENTATIONS TO WORLD BANK RESPECTING PEGGING OF INTERNATIONAL CURRENCIES

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to ask the Minister of Finance to advise the House whether the government of Canada has made direct or indirect representations to the governors of the World Bank with a view to changing the pegging system of international currencies either to a floating average or a wider band of spread in order to avoid some of the difficulties we have had in recent years?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, we have not made direct representations, but this matter has been under discussion, as my hon. friend knows, by the World Bank for some time. It was brought up at the last general meeting of the bank at which time the governors expressed their views, and it is under continuing study.

[*Later:*]

Mr. Lambert (Edmonton West): I have a supplementary question for the Minister of Finance. Can he tell us whether it is his or the government's intention to press this point with the governors of the World Bank in order to assist Canada to return to a more flexible, fixed currency?

Mr. Benson: Mr. Speaker, I would simply say that the matter is certainly worthy of study and is indeed presently being studied, as my hon. friend knows. Canada will participate in such studies.

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IMMIGRATION

REFUSAL OF VISITORS' VISAS TO REPRESENTATIVES OF SOUTH VIET NAM PROVISIONAL REVOLUTIONARY GOVERNMENT

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is addressed to the Minister of Manpower and Immigration. Does his decision to refuse visitors' visas to certain representatives of the provisional revolutionary government of South Viet Nam, who had been invited to speak in Windsor, represent a change in policy on the part of the government because, as he knows, his predecessor did allow such people to come to Canada?

Hon. Otto E. Lang (Minister of Manpower and Immigration): No, Mr. Speaker, this does not represent a change in policy. In applying this policy, of course, every specific fact and variation must be taken into consideration, especially in a case where special permits for people who may be otherwise prohibited are involved. In this particular case the meeting did not seem to be one essentially of a Canadian direction, and that certainly had some weight in the decision taken.

Inquiries of the Ministry

Mr. Brewin: Mr. Speaker, does the minister think it necessary to protect the people of the United States from hearing the views of a section of the people of Viet Nam with whose fate they are very much involved?

Mr. Speaker: Order, please. That is obviously an argument.

[*Later:*]

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, my question is supplementary to the question asked by the hon. member for Greenwood concerning five South Vietnamese. Has the minister received any representations from the United States government in this matter?

Mr. Lang: No, Mr. Speaker, certainly not. The decision was made on the basis of Canadian law and on the basis of our policy.

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GRAIN

PRODUCTION AND RECEIPTS POLICY—RAISING OF AMOUNT OF YEARLY EARNINGS REQUIRED TO PARTICIPATE IN STABILIZATION FUND

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the minister who reports to the House for the Canadian Wheat Board. It relates to a comment he made a few minutes ago with respect of the fact that agricultural policy is presently under review. Is the government considering raising the disqualifying restriction respecting participation in the grain stabilization fund from $10,000 to $15,000 yearly earnings and, if so, is a statement to be made on this subject shortly?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, that is certainly one of the subjects on which we sought representations and upon which we have had discussions. I would anticipate that it would be part of an official announcement of any decision.

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EXTERNAL AFFAIRS

PROPOSED OIL PIPELINE FROM PRUDHOE BAY TO VALDEZ, ALASKA—CONSULTATION WITH UNITED STATES AUTHORITIES

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Since United States interests have indicated they are planning to construct a pipeline from Prudhoe Bay to Valdez on the west coast, can the minister advise the House whether consultation was carried on with the United States authorities as to the best possible route for this pipeline?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have had many discussions with United States authorities about both gas and oil, and certainly the idea of a pipeline across Alaska or down the Mackenzie Valley. All these matters were discussed between ministers and secretaries.

[*Later:*]

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I have a supplementary question for the Acting Prime Minister in relation to the question asked a few minutes ago about the Alaskan oil pipeline. I believe the minister indicated that Canada was making representations to the United States. I notice the minister is shaking his head. May I ask whether Canada has taken any particular position on this proposed pipeline, and what is the government's position?

Mr. Sharp: Mr. Speaker, I do not think we should be asked to take a position on a pipeline through United States territory. Just to clarify the point, I did not say we had made representations. I said there had been consultations between ministers and secretaries.

Mr. Rose: Mr. Speaker, I realize the pipeline is within the United States, but since trans-shipment to United States ports would involve Canadian coastal waters it would seem to me Canada must have some interest in this matter and I wonder whether the Acting Prime Minister would care to put forward our position on this matter?

Mr. Speaker: Order. I do not think this should be done at this time.

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NATIONAL DEFENCE

PEACEKEEPING OPERATIONS—BASIS OF STATEMENT BY MINISTER TO SENATE COMMITTEE

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, in light of the remarks of the Minister of National Defence yesterday to a committee of the other place, would he indicate whether or not he based certain comments he made, particularly his certainty of a greater likelihood of peacekeeping operations in the Middle East, on discussions he may have had with United Nations officials, or was he just prophesying or looking into the future?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, the remarks I made on both possible theatres were really based on an assessment of conditions of operation rather than any expectation that there would be an early political settlement in either of the two areas. In view of our experience in UNEF in the Middle East in the past, I think on the whole it is obviously easier for us to operate there than it would be in another theatre.

Mr. Forrestall: Mr. Speaker, can I assume then that there has not been any basic change in our position and in our existing plans in respect of peacekeeping opera-

tions and the involvement of Canadian forces, particularly in regard to the Middle East, and that this was contingency thinking the minister was expressing yesterday? Can I assume that he did not in the course of his comments reject the position of his predecessor in respect of Viet Nam?

Mr. Macdonald (Rosedale): Mr. Speaker, it was an indication that we, as the hon. member says, assume as a task continued peacekeeping assistance. This responsibility will only arise once there has been political settlement. I think I did recognize that in my view it would be far more difficult to carry out effective peacekeeping in the Viet Nam area than in the UNEF area.

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CONSUMER AFFAIRS

INQUIRY AS TO INVESTIGATION OF CAR REPAIR INDUSTRY

Mr. Barry Mather (Surrey): Mr. Speaker, I wanted to direct a question to the Minister of Consumer and Corporate Affairs, but in his absence perhaps someone opposite would take notice of it. Having regard to the statement to the Quebec National Assembly by the president of the Automobile Protective Association, which was critical of the honesty and quality of the car repair industry and called for greater consumer protection, is the Department of Consumer and Corporate Affairs investigating or does it intend to investigate the car repair industry, as has been done in the United States?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I understand that the minister will be here tomorrow and I will see that the question is brought to his attention.

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FINANCE

AMOUNTS BORROWED BY PROVINCES FROM LOAN FUND—JOBS CREATED

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, in view of the fact that a $150 million loan fund has been provided to finance job-creating public works, will the Minister of Finance table the amounts each province has borrowed since his announcement prior to Christmas and indicate how many jobs have been created by this fund?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the first part of the question is probably quite possible to answer. I think the second part might be fairly difficult because the provinces are treating the matter differently and we have to get the information from them. I should also indicate that the amount of the allocation we have decided upon is $160 million rather than $150 million.

Mr. Comeau: Mr. Speaker, has the department refused such loans to any province because of their proposals not being sufficiently job-creative?

Mr. Benson: Mr. Speaker, I would have to take that question as notice in order to look at the individual consultations with the provinces.

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EXTERNAL AFFAIRS

GUINEA—MASS EXECUTIONS—CANADIAN INITIATIVE FOR INVESTIGATION BY UNITED NATIONS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Prime Minister with reference to the mass executions in Guinea which have brought sharp protests from His Holiness the Pope and other world figures. Can he advise whether the government contemplates any initiative which might be helpful in bringing this matter under the purview of the appropriate United Nations body dealing with human rights?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, we have followed the events in Guinea with great interest. I am not quite sure whether we would take any action as a result of these studies, but I share the concern of the hon. member about mass executions of this kind. While we have not made any formal representations on the subject, I can assure him that we do not look with favour on any mass executions of this kind whether they take place in Guinea or wherever.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The house resumed, from Wednesday, January 27, consideration of the motion of Mr. Drury (for the Prime Minister) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to the committee of the whole.

Mr. A. D. Hales (Wellington): Mr. Speaker, I appreciate the opportunity to say a few words on this very important bill, Bill C-207, which has to do with the organization of the Government of Canada and matters related or incidental thereto. First, I must register two objections I have before proceeding with the main body of my remarks.

Once again, we have an omnibus bill presented to this House. It is sort of a grab bag, a mixed bag. This bill covers many subjects which are not particularly related. I most heartily agree with the remarks Your Honour made when deciding whether the omnibus bill should be allowed to proceed. At one point you mentioned that you

had raised your eyebrows when this bill was first tabled in the House. Then, after having looked at the bill, and when handing down your ruling on the motion that it not be proceeded with, Your Honour stated that omnibus bills seem to take in too much and that we have had many other instances of this in the House. I am sure Your Honour's recommendation that these bills should be scrutinized when first tabled will be followed. So, I, as an elected representative of this House, object very strenuously to having to vote on a bill containing a number of subjects, some of which have my approval while others do not.

Some hon. Members: Hear, hear.

Mr. Hales: I should like to vote for the clauses setting up the Department of the Environment. But I do not approve for one minute of the part which would set up the different ministries of the government, and I would like to have the opportunity to vote against that. Obviously, we are placed in a very unfair position. I hope this precedent will not be continued and that in future each subject will be presented in a separate bill.

Mr. Macdonald (Rosedale): Mr. Speaker, would the hon. member permit a question?

Mr. Hales: Yes.

Mr. Macdonald (Rosedale): Would the hon. member not have the opportunity to vote against individual proposals in the bill when the bill is in the committee of the whole House.

Mr. Hales: Yes; I will have an opportunity to vote against a proposal but the vote will not be a recorded vote. The recorded vote will not be on each issue but rather on the whole bill. I can register my dislike of a particular part of the bill, but still the bill as a whole will carry. That is the point as I see it.

My other objection is that the time of this House will be taken up discussing this bill on government reorganization when we have serious unemployment problems facing this country involving nearly three-quarters of a million unemployed people. I believe it would have been much better if the government had placed before us a bill in the name of the Minister of Labour (Mr. Mackasey), entitled a bill to prevent human misery and economic waste.

Some hon. Members: Hear, hear!

Mr. Hales: I submit, Mr. Speaker, that is what we should be spending our time on at this moment.

I may say, with regard to the contents of the bill, that it has nine parts. It certainly is a catch-all bill. The bill provides for setting up a Department of the Environment, and sets out the duties of the Minister of Energy, Mines and Resources as well as the duties to be assigned to the Minister of the Environment. It transfers the responsibility for astronomical observatories from the Department of Energy, Mines and Resources to the National Research Council. The fourth part of the bill concerns ministries and ministers of state. The fifth part concerns Parliamentary Secretaries. The number is to be increased from 16. The sixth part provides for the appointment of a Postmaster General. We already have one, but still there is this provision. The seventh part concerns the Public Service Superannuation Act and provides for improved early retirement. Part VIII amends the Salaries Act to provide a salary for each minister. Part IX is a general section.

I do not have time to deal with all the parts of the bill, but in the time available I wish to speak on Part IV which deals with ministries and ministers of state, Part VI regarding the post office, and Part VII regarding superannuation. Then, I should like to say a little about the cost of this whole package deal we are discussing at the moment. Many of my colleagues, and members on the other side of the House, have spoken about the setting up of a Department of the Environment and about pollution. I am delighted that this part is contained in the bill, but I wish it appeared by itself. As a member who has a university in his riding, I am particularly pleased that we are now to have some legislation to take care of pollution and to place it under the jurisdiction of one minister. Just the other day I received a letter from the University of Guelph. I was asked what we had done in respect of noise pollution control. I was surprised to learn there were no federal provisions covering that, except in the Department of Transport regulations concerning aeroplanes. So, it is good to have this part in this bill.

I can assure you, Mr. Speaker, that the part in respect of ministries and ministers of state is a real package, indeed. Here, we certainly have an example of a government dream or a bureaucratic dream. In addition to having the ministers we have today, we are to have ministers of state for specific purposes. There will be five of these. They will be paid $15,000 plus their other salary. There will also be ministers of state with no specific duties to perform. There is no limit to how many ministers of state can be appointed. There are three types of ministers in addition to ministers without portfolio, as we have now. What a mixed bag of tricks this will be.

• (3:00 p.m.)

The bill does not state what the ministers will do, but let us take a look at it. The President of the Treasury Board (Mr. Drury), in introducing this bill, said it will provide for greater accountability of the executive branch to Parliament. What nonsense! Here, we will have five ministers appointed with no specific duties assigned to them, but the House will have nothing to say about the departments they will head. This is probably the most devious piece of legislation this government has ever presented. Its only aim is to increase the number of ministers. The bill contains no statement of purpose, no clearcut objectives. Not only does the government have nothing specific for the ministers to do, but it is also proposing a new way to diminish the powers of Parliament. This is a very serious aspect of the bill.

Under the bill, the House would not be permitted to debate the proposal to form a new ministry. Just imagine, we will not have the authority to debate in this House the establishment of a new ministry. The government could set up a ministry of information Canada. They can do whatever they like without coming to the House. As the minister said the other day—and he was perfectly right—parliamentary control lies in the ability of this House to deny money for any undertaking of which we do not approve. What chance have we on that score? Even if everyone on this side were present and voted against granting the money, the government could still go ahead and set up ministries. So that argument does not hold water. By proclamation, the Governor in Council may establish at his discretion up to five ministers of state. The responsible minister would be in charge of policy formulation and development, and this is contrary to tradition since policy formulation has always been a Crown prerogative.

We have had a sample of this reorganization in the House. I want to say that this reorganization will not cure all the ills of the government. Let me remind hon. members that the government split the Department of Labour into the Department of Labour and the Department of Manpower and Immigration. I think every elected member has experienced great difficulty in his riding as a result of that action. The division of these two very closely related departments of government has not been very popular. What can be more closely related than a man out of work and one seeking a job? In my city of Guelph there is the manpower office, but the unemployment office from which the unemployed collect their benefits is in the central area of Waterloo. There is no co-ordination between the two offices and there has been nothing but trouble since the department was split.

In 1968, the new Department of Communications was set up and the Minister of Communications (Mr. Kierans) was in charge of the Post Office, Telesat and other forms of communications. We know what a mess we got into there. There was nothing but trouble. I am sure the President of the Treasury Board will not appreciate what I have to say, but I cannot miss the opportunity of reminding him that the government set up the department of industry, against the wishes of the opposition and over our protests. On June 27, 1963 as recorded at page 1663 of *Hansard,* the Hon. Gordon Churchill said the following:

> My criticism of the bill, and of the whole idea—

He was referring to the bill setting up the department of industry.

> —is that the Department of Trade and Commerce, as it is at the present time, is equipped to do all that the proposed department of industry is aiming to do.

What could be more plain and forthright than that? On June 28 of the same year, Mr. Churchill said:

> —this is a mistake, in that a very strong department, trade and commerce—which could be called industry and commerce—is being weakened by this proposal.

How true those words were. The government paid no attention to the opposition of the day. They went ahead and set up the department of industry.

What did that cost the taxpayer of Canada? The department was set up in July of 1963, and in 1969 it was amalgamated with the department of trade and commerce in great confusion. People were transferred from the department of industry to the new department. The department of industry had hired very expensive people, and these people had to work alongside employees of the department of trade and commerce who were paid much less. There was no end to the trouble and confusion that resulted. If I had been an employee of the department of trade and commerce when that happened I would not have been happy with it either. In the first year, the estimates of the department of industry were $23.7 million. In 1967-68 the figure was $118.1 million, a fourfold increase in four years. Then, there was the amalgamation, and that is the expensive story of the department of industry.

We must not forget about the staff. It will be said that people from different departments will go into the new department of environment and will be absorbed there. But if we experience the same thing that happened with the department of industry, this will not be so. In 1963-64 the staff of the department of industry numbered 274. In 1964-65 the staff grew to 786, a 200 per cent increase. In 1967-68, the budget of the department was $118.1 million and the budget of the department of trade and commerce was $81.3 million. So reorganization is not new to us, and I mention these figures to show that reorganization is not an answer to all these problems.

I think I have said enough on this subject, so I will now deal with Part VI, the Post Office. What a checkered career this department has had. At one time it used to be a stable department which ran efficiently. It did not bring in too much money but it gave good service. The public was reasonably happy with it. But reorganization took place. What a licking the public has taken since that happened. They paid more but got less service. That is the first thing we should note. I have letters to substantiate this. A constituent wrote that it took seven days for a letter to go from Guelph to Toronto, and six days for a letter to go from Guelph to the University of Western Ontario in London. The counter serlvice in the post offices was discontinued on Saturdays and was not resumed until recently. Even now, it is not in effect all day Saturday as the minister said it would be. I find that counter service has been reinstated only up until twelve o'clock noon.

• (3:10 p.m.)

We have had five day delivery introduced. We had a national strike for three weeks in the summer of 1968. From January, 1968, to March, 1970, 1,227 post offices were closed. In April, 1969, 2,500 low budget publications lost their second class mailing privileges. In November, 1970, 140 lost mail bags were found. They had been left in a truck in March, and after the truck had been stored in some place in Montreal no one checked to see if it

was empty. The 140 bags were found in November. That has been the checkered career of the Post Office to have a new minister of the Crown, a Postmaster General.

We did not really need this bill to appoint a Postmaster General. As I understand it, an order in council could have appointed him. True, we need some provision to increase his pay, and rightly so. He should be paid as much as any other cabinet minister, but I am sure that could have been done by amending the Organization Act, or the act dealing with the pay of ministers. But no, Mr. Speaker, it is done through this bill.

I am against the appointment of a Postmaster General. I am surprised that the government did not propose making the Post Office a crown corporation. The government had 15 studies conducted by six consulting firms over a 12 month period. I have one such report before me, that drawn up by Kates, Peat, Marwick and Co., the first page of which reads:

> From these studies emerged the overpowering conclusion that the Post Office, as a Crown corporation, could better fulfil its role in the future. It cannot operate effectively as a department of government and serious reservations exist as to whether it can continue to meet the requirements of Canada within its existing framework of operations except at exorbitant cost to the people of Canada.

This is an opinion for which the government paid. Mr. Speaker, it is the opinion of the Conservative party that a crown corporation would be a better arrangement. The government paid for this advice but did not follow it. Now it introduces this bill to appoint a Postmaster General.

Again, I quote from the consultants' report:

> The quality of the senior management group is the most significant consideration before the Post Office today. A transition to Crown corporation status and improvement of operating performance will place great pressure and demands on key executives during the next two to three years.

Yet in this bill the government proposes the appointment of a Postmaster General instead of turning the Post Office into a crown corporation.

What about the public service superannuation part of the bill? There are some good points in it. I am in accord with the proposed provision whereby any civil servant who has 30 years of service and has reached the age of 55 years can retire. That is a good idea. But nothing is said in the bill about the funded cost to the Treasury, and this will be considerable, Mr. Speaker. There will be a large price tag on that proposal.

Now, we go to deputy ministers. There is no reason given to indicate why the government wants this. I suppose one can only draw certain conclusions. The bill provides that any deputy minister with ten years' pensionable service at age 60 can retire and continue to pay contributions under the Public Service Superannuation Act. I cannot agree with that. It would be discrimination of the worst order. Why should a deputy minister have that privilege any more than an assistant deputy minister or other senior officials? Why shouldn't Members of Parliament be allowed to continue to pay into their pension fund after they leave here? Why shouldn't the same provision apply to everybody?

Another reason I am strongly opposed to this provision is that I understand under the present arrangement the government pays a contribution of 6½ per cent and the individual pays 6½ per cent. Now, if the individual retires and continues to pay his contribution the government will also continue to pay its share. If I am incorrect I hope I will be corrected, but I would hope it would be the retiring person who would pay the full amount, and that the government would pay nothing.

Mr. Drury: That is right.

Mr. Hales: Anyway, it's a pretty good deal.

Then, there is the question of the definition of a deputy. According to the bill this means a president, chairman, or any other chief executive officer. The President of Air Canada will qualify for this. The President of of the Bank of Canada will qualify just the same as a deputy minister. The President of the IDB, the President of Polymer, and the head of the National Capital Commission will get the same deal. Nothing is said in the bill about the cost of this proposal. I can assure you, Mr. Speaker, that funding the superannuation account for all those people will amount to a tidy sum of money.

What about the cost of this whole package? Not one word was said about that by the minister who introduced the bill. We are going to give the government a blank cheque when we pass this bill, and I would guess that blank cheque could amount to $1 billion. Yes, Mr. Speaker, this reorganization is liable to cost the country $1 billion. Increase the number of Parliamentary Secretaries from 16 to 29 at $4,000 each, and you have an additional $52,000 right there. You have five additional ministers at $15,000, and there is another $75,000. Then, you have an unlimited number of other ministers at $7,500 each. Some of these ministers are not going to have deputy ministers but secretaries. Why does the government want to confuse the matter this way? Why not have deputy ministers in all cases? It's a real bag of tricks and you end up with a real mumbo-jumbo.

If five separate departments are set up, each with their own specific minister, their own deputy ministers and staff, the cost for each department will be in the neighbourhood of $100 million. Look at what the cost was when we established the Department of Industry. If you have five departments, you will have a cost of $500 million right here. Then, add on all the superannuation, the pension funding and the like, and I think you will find I am not too far out when I mention $1 billion as the cost of this government reorganization bill.

In closing, Mr. Speaker, I simply reiterate what I said at the beginning of my speech, that I am very much opposed to the introduction of omnibus bills. I find myself in the position of wanting to vote for something but cannot support it without voting for something which I oppose. Secondly, we are taking up the time of the House debating a government re-organization bill at a

time when we should be dealing with something to help combat unemployment.

• (3:20 p.m.)

It is very difficult to figure out this new cabinet arrangement. The bill will certainly take control of certain matters out of the hands of the House and put it into the hands of the executive. I do not approve of that. As an elected representative, I feel that I ought to have the opportunity of voicing my opinion and of voting on whether a certain ministry shall be set up. I should have the right to say whether I think it is necessary or not, and to vote either for or against its establishment. Yet the bill, as drafted, will make us into mere rubberstamps. That I do not like. It is quite plain that that is the direction in which we are heading. I am, therefore, sorry that the government saw fit to bring forward Bill C-207 respecting the organization of the government of Canada.

Mr. Steven Otto (York East): Mr. Speaker, having heard the minister speak and having heard from gentlemen opposite, I am at a loss to understand whether this bill actually is a bill dealing with the reorganization of the government. Is it, as the Minister of Fisheries and Forestry (Mr. Davis) seemed to indicate, a bill that will enable us to deal with our environment? According to the hon. member for Halifax-East Hants (Mr. McCleave) and the hon. member for Wellington (Mr. Hales), this bill will answer the purposes of backbenchers on this side of the House in that it will provide employment, at greater pay, for many of them.

Mr. McCleave: The hon. member is hoping.

Mr. Otto: The hon. member for Halifax-East Hants suggests that since many new positions will be made available under this bill, very few backbenchers will be left in the House. I want to assure him that he and I will always enjoy a position on the backbenches.

Mr. McCleave: Hear, hear.

Mr. Otto: He will remain there because he will be in opposition, and I will remain here because I have been on the backbenches for the last eight years. I see the minister laughing.

An hon. Member: The hon. member is a good Member of Parliament.

Mr. Otto: Thank you. I am considered a good member. I intend to deal with the bill. May I, first, say something about the academic discussion on the bill. We were privileged with a tutorial from the cardinal, His Eminence, the President of the Treasury Board (Mr. Drury). I am sure he will not mind being called the Richelieu of Ottawa. After all, Cardinal Richelieu was one of the most famous administrators of all time, the mandarin of mandarins.

Mr. McCleave: But was he not connected with a religious order?

Mr. Otto: He was a professional administrator, and there is no doubt as to who was the power behind the throne in those days. Similarly, I have no doubt as to who is the power behind the throne in this country in these days. I, therefore, think it quite proper to refer to the President of the Treasury Board as "His Eminence".

Mr. McCleave: The minister is being blamed for much. I expect him to rise on a question of privilege.

Mr. Otto: I should like to take into account, for a moment, the historical background of Parliament. We are told almost daily that the Members of Parliament control the purse strings and the final disposition of money. I submit that that is an Alice in Wonderland type of proposition, because we all know that the amounts voted on the estimates are governed, to a great extent, by the needs of administrators who want the money. We see the estimates, but we provide no check. We obtain no information as to what this money is to be used for exactly, why it is needed and for what purpose.

An hon. Member: That is a secret.

Mr. Otto: That is how it is now. The President of the Treasury Board was quite right in saying that the reorganization of the government really affects the structure of the government and that it is within the competence of the government to carry this out. He spoke of the historical background. Previously it was the prerogative of the Crown, acting through the Privy Council, to bring about such changes. That tradition has gone. Now, the government must seek the approval of the House when it wishes to reorganize itself. Reorganization is really a government responsibility. The government is responsible for the conduct of its affairs. I am inclined to the belief, Mr. Speaker, that we may be reverting to the old system. I ask the minister to consider whether there is no possibility of our returning to the old methods of acting in Parliament. Under the reign of this Prime Minister (Mr. Trudeau)—and I use the word "reign" advisedly—perhaps we ought to consider whether we should not revert to ancient practices in which all members of the House, whether on the government side or the opposition, joined together in opposition to the ministry.

Some hon. Members: Hear, hear!

Mr. Otto: Without any doubt in the world, I think the Prime Minister at present has the absolute mandate of the people. I am not saying this in any derogatory way; I am saying it out of admiration. I ask people whose noses are freezing outside the West Block in winter or who are roasting there in summer, "Why are you here?" They say that they want to see the Prime Minister. Recently the Prime Minister went to the Maritimes, one of our poorer areas, and then he went out west before the wheat had been sold. He came back a hero. Judging from that, I do not think there is any doubt that he will command the allegiance of the people of Canada for a long time to come. I, therefore, feel that Members of Parliament could well revert to the position that they enjoyed previously in history before the organization of parties.

Be that as it may, Mr. Speaker, may I now speak to the bill itself. It is to set up ministers of state responsible for certain areas. I do not object to that. I see nothing objectionable in giving ministers responsibilities for certain areas. For example, there is no cabinet portfolio for the minister in charge of housing. Housing is not necessarily a municipal problem; it is a national problem also. I think there ought to be some cabinet position dealing with this matter. Housing must be made the responsibility of some department of government, otherwise some of us will say, "Housing is a municipal problem, and we therefore cannot deal with it. The subject will not fit into any pigeon hole in Ottawa." The result will be that we shall not be able to deal with housing in a responsible way.

Urban problems must also be dealt with. May I, in that connection, commend the Minister without Portfolio in charge of housing for his recent innovation which resulted in officials of CMHC as well as other experts taking part in a sort of "think" week. Hon. members will recall, as was reported in the press a few days ago, that the minister, CMHC officials and other experts in the field of housing, took two or three days off from their regular duties to consider the very serious problems in the field of housing. The minister wanted advice. That was the first time the mandarins or administrators had actually invited opinions from other experts. I commend the minister for that. I ask him not to pay attention to sneaky remarks in the press which complained that the conference had cost $12,000, as though that was a fantastic amount. If the conference had cost ten times that sum it still would have been worth it.

I now intend to deal with one of the provisions of the bill found on page 5, that provision dealing with the National Research Council. I am glad that the President of the Treasury Board has remained in the House to hear our speeches. That, I think, is most responsible on his part. He knows well that I do not easily flatter ministers. Would the minister give some thought to renaming the National Research Council, mentioned under part III, and calling it the Research and Development Corporation? It should be a crown owned corporation for research and development. May I explain my reasons for my request. As the report of the Senate Committee on Science Policy indicates, scientific research in this country is broken into fragments. We have medical research, research for military purposes, research into aircraft, and so on. All in all, we spend about $4 billion on research in Canada.

• (3:30 p.m.)

The complaint in the Senate report is that this research is not applied research, but almost pure research which is applied to one small department. The research branch within the Department of Industry, Trade and Commerce will have absolutely no meaning unless it is co-ordinated with the Department of Finance, Department of External Affairs and other departments. Because our industry is not large enough to support private interest and development, a crown corporation will always be needed. This corporation should be responsible for all phases of research, scientific, market, inventory, sales, export, manufacturing and medical. Everything should be combined in one corporation.

I wish to give an example of what I am talking about. At the present time, the research corporation is being used almost exclusively for the military. It should have a much better and broader application within the government. At the moment, we are having a little more luck than we probably deserve with regard to exports. However, we have a problem with uranium. We are stockpiling it. The president of the uranium company is suing the Prime Minister on some issue. The world lacks uranium. Canada has very large quantities of uranium. What are we going to do with it? If we had a proper research and development corporation, people in that corporation would realize that many places in the world need electrical energy but do not have the necessary $180 million, $200 million or $300 million to build an atomic power plant. The need is for small package units that would produce electrical energy. These could be exported on a lease basis rather than selling them. These could be installed in Bolivia, Colombia, Argentina, Africa, the near East or anywhere else they are required. These countries could be charged on the basis of kilowatt usage. Imagine what would happen in these areas if they had power to start new industries and education. They do not have these primitive things which we take for granted. When speaking to the president of the Atomic Energy Commission, he informed me that such a plan had been investigated for many years. However, it would be rather expensive. He compared it to the cost of Canadian power which is generated from water. That is not the issue.

One segment of a research development corporation could research the demand for power throughout the world and what price countries would be willing to pay. Another segment could work with the Atomic Energy Commission to develop a small unit capable of producing 300 or a few thousand kilowatts. This could be installed in villages and towns without great expanses of hydro lines and cables. Canadian electrical engineers in the corporation could work on developing ways and means of packaging small units. Researchers in the Department of External Affairs could research conditions in countries willing to buy these units, as well as the agreements we would make with these countries. The financial research people could determine the length of time these units would be required and the profits that could be earned by our manufacturers. Another segment of researchers within this corporation could service these units.

It would be necessary to determine how much uranium we have in Canada. Also, how could we avoid having this uranium used for other than peaceful purposes? Market research could also be conducted by this corporation. When a report was issued by the corporation, all departments of government would have an accurate picture. This might help solve our problems with uranium, unemployment and rationalize our industry.

Canada almost has a world monopoly on uranium. We have productive facilities and good engineering techniques. No one will deny that we should be the most

efficient nation in the world in producing electrical power plants. At present, we have people who are interested in this subject but they are enclosed within one small department, Atomic Energy Commission. Their message does not reach any other minister. Instead of an approach concept to research, we have tiny bits of research.

The Minister of Industry, Trade and Commerce (Mr. Pepin) informed me that his department has a very large research and development branch. I repeat, they only deal with a very small segment of the field. When introducing the previous bill in this House, the minister talked at some length about coloured shirts. Because we now have coloured shirts, he thought this would be the salvation of our textile industry. This is a little off the track and I ask Your Honour to bear with me. The minister thought because there are so many coloured shirts that Canadian manufacturers would exist in perpetuity.

Mr. Knowles (Winnipeg North Centre): That day you had on a white shirt.

Mr. Otto: I am glad the hon. member made that remark. The shirt I am wearing was a Christmas present from my mother-in-law. I need not say anything further about why I am wearing this shirt. The male animal is inclined to be a rather lazy creature. In the morning he has only seven minutes in which to get dressed. That is not much of a problem because he only has the choice of one suit and maybe two or three ties. The computations are only one in three. However, if he has to compile the proper tie with the proper shirt with the proper suit, he is faced with the computation of 27 choices. In a short time everyone will be back to the white shirt because it is a simple way of doing things.

Mr. Knowles (Winnipeg North Centre): That is the reason I kept mine.

Mr. Otto: The minister is flying by the seat of his pants. His department and many others operate by intuition. Intuition is not enough. We need careful research.

Mr. McCleave: Or your mother-in-law.

Mr. Otto: I hope she does not read this *Hansard*. I have resisted the coloured shirts because there is only room for one peacock in a pen. I am not going to compete in this enclosure because we already have someone who is a very keen and avant garde dresser.

I hope I have explained what I hope will be called Part III of the bill. Instead of the research council, I hope the government will introduce a crown-owned research and development corporation. In the past I have tried to point out the need for such a corporation.

Recently I was approached by a fairly responsible electrical engineer. He pointed out that we have the St. Lawrence canal. We also have the problem of where to build atomic energy plants and what to do about the hot water that results from them. He suggested building a plant above each of the locks. In this way we would have a winter canal system which would be open all year. When I asked how this would affect the ecology, he said this would require more study but he felt it could be done. The St. Lawrence canal system cost us a fortune. It is only used six or seven months of the year. At present, who could investigate this plan? People within a research and development corporation could instigate research. These people would then inform manufacturers, private industry, even the government, what were the market prospects for South America. They would be able to tell manufacturers of, for example, luggage or stainless steelware that there was a solid market with a good efficiency rating. The same report could be presented to the Department of Finance, the Industrial Development Bank and so on. Exporters could be told that they could get financing from the Export Development Corporation. All this could be done as one packaged unit.

• (3:40 p.m.)

This is what is required, and in this regard the minister should heed very seriously the advice of the Senate Committee on Science Policy. Then, he could ascertain whether he does not agree with me that the real need is for an application of research. Before research is applied it must be assembled by such a corporation. That is all I have to say about this bill. I have not taken too much time, but even though I have been short and to the point, I hope the minister will understand that I am very serious in my suggestions. If the minister examines the problem I think he will find that a secretary of state in charge of such a corporation is what is required in Canada; and I do not think any member of the House would object to the appointment of a minister of such a department.

Mr. Jack Bigg (Pembina): Mr. Speaker, a lot of ground has already been covered, and I am not going to enlarge on the argument whether or not we should have an omnibus bill. However, I do want to agree with the necessity for reorganization in the interest of better government, though I do not necessarily think, from what I have read of this bill, that this is the proper way to bring it about.

What the President of the Treasury Board (Mr. Drury) has said, in essence, is that we are seeking to give Canadians the kind of government they want. This, of course, is the avowed wish of every member of this House. I make bold to say that what the people of Canada want today is a system of government that gives the people full employment, and I am still of the opinion that they want this under a free enterprise system. I do not think we should try to give the people of Canada more government in a quantitative sense, but rather that we should try to improve the quality of government.

This is why I do not agree that we need more ministers. What we need is better manipulation of the ministries we now have, and I do not think this is beyond accomplishment. I do not think ministers can give leadership in the departmental set-up we presently have unless the Prime Minister (Mr. Trudeau) does his share. Since my experience of being prime minister is not very great, of course, I cannot criticize the present Prime Minister on this score. Therefore, I will attack the problem from

quite a different angle. I am going to suggest that the backbenchers on both sides of the House do not do their work properly. If they did, then I believe that the backbenchers of this House have the power, under your able leadership, Mr. Speaker, to discipline the treasury benches, and through them the Prime Minister himself.

In 1939 and 1940 we had an example of what happened when the back benchers of England, and through them the cabinet ministers, failed to discipline their prime minister. The excuse for this is always the same, of course—that since the prime minister has final say he must be given a great deal of leeway in choosing his cabinet, and so on. The Prime Minister must have the power of going to any corner of the realm to pick those men who can best serve their country. In the final analysis, his judgment is a human one.

In our parliamentary system we take from the ranks of the people certain men of various occupations and backgrounds to lead the country. But the process does not end there. It is only now, some 30 years after the event, that I have been given the answer, and perhaps fortuitously no later than this morning, as to why Mr. Neville Chamberlain, the then prime minister of England, was so incapable of leading that country. The answer is plain and simple: he lacked not only certain knowledge, but he absolutely refused to take advantage of the advice of those men who were close to him who did have the knowledge, the ability and the courage to lead Britain. One of these men, whom I need hardly mention, in parliament at that time was one Winston Churchill, who for most of his life was a backbencher. However, his contribution as a backbencher was so outstanding that when nobody else in England had the ability to get the country out of the hole it was in as a result of wishful thinking and high-sounding ideals but with complete disregard for human nature and the facts of history, they reached into the back benches to bring out Mr. Churchill over and over again.

At the height of his power, although he always made decisions himself—and strong they were—and although he gave leadership such as we have seldom seen in any democratic country, he remained open to persuasion by those around him. He very rarely, if ever, marched out into the forum of the world to make big decisions affecting not only his country but the future of mankind without at least having had full consultation.

That is a lesson not too far back in history which I think we would do well to remember today. As I have said, I am not going to presume to tell the Prime Minister how to do his job. But I do suggest that every backbencher of this House should do his job, namely, to see that the government and its policies fit the needs of the people. If they do not, then if necessary members should have the courage to regroup, not up-country preaching revolution and growing radishes but in their own caucus in Ottawa. If we cannot persuade those in authority in our own caucus, then we should find a caucus where we can. We have had one or two examples of great courage in this House, and I think the results have been, and will continue to be, very salutary.

It is not sufficient for ministers of the Crown to point to hon. members on this side, as they have done during the past year, and to say that they get no leadership from the opposition. Let me assure them that if they show us leadership and reorganize for better government, then they will get all the support they want, and perhaps a great deal more than they can sell to the treasury benches and to their own leader. I do not want to be negative and am not going to spend the few minutes at my disposal being negative. But I do want to remind the House that one or two other mistakes have been made that I think should not have been made. Let me tell these ministers—

Mr. Speaker: Order, please. I apologize to the hon. member, whose speech is very interesting—and I do not want to put him off stride—but it does seem to me that in the last few minutes he got rather carried away and forgot that he should address his remarks to the Chair.

• (3:50 p.m.)

Mr. Bigg: Thank you, Mr. Speaker. I did not intend to direct my remarks to the House in any other manner. Through you, Mr. Speaker, I beg the members of the government not to repeat what I think are errors in the approach to governing in general. This has been the cause of what might appear to be a lack of co-operation from this side of the House.

In the second paragraph of the press report of the speech of the President of the Treasury Board there is the suggestion that the best answer to this apparent riddle lies in a strengthening of the parliamentary institution. Parliament has only one big stick. Once people have made their choice of a political party—that is how we are elected and I do not quarrel with this at the present time—and once we have elected an executive, there is only one way that Parliament, including the backbenchers on both sides of the House, can control what may be a well-meaning executive which is getting out of line and does not have the confidence of this whole House.

The only control we have over such an executive is monetary control. If we are to preserve any parliamentary control whatsoever, we must maintain monetary control. If there is no control, we have no democracy and the whole riddle will be solved once and for all. If we are to maintain this system, as I am sure all of us want to do, we must stop what we have been doing openly. Had we lost this right of monetary control accidentally, we might be able to excuse ourselves. Six years ago we gave up our Easter recess in order to debate the dangers of allowing Vote 15, which I think we all remember, of becoming a means whereby the executive could sidestep Parliament and raise salaries. At page 10003 of *Hansard* for November 17, 1966, just four and a half years ago, I indulged myself in a little prophesying. Let me quote what I said then:

—I do not know why the vote could not be increased to $500 million next year in order to get around the power of Parliament.

Just two days ago I was looking over the votes to come before Parliament and I noticed that this same vote has, by devious means, reached the astounding sum of $250 million. In 1966 I might say quite frankly I was exaggerating in an attempt to create a dramatic effect, but we now see that this vote has reached the halfway mark of that figure which I mentioned. At that time, it was $15 million and it has now reached $250 million. To all intents and purposes, our control over Parliament and its daily proceedings has been very seriously weakened.

As hon. members know, we have changed the method by which estimates come before the House. It is very difficult now to debate the estimates of any department thoroughly because of the allotted time. The government is getting bigger every day. As I said a few minutes ago, it is not the size of the government which will help us out of our difficulties, but rather the quality. There is a danger in allowing an executive, liberally oriented, conservatively oriented or socialistically oriented, to have unlimited powers without control. The basic human desire for power and of an increase in power is irresistible. It is our job to reorganize government along better lines and to see that, instead of increasing the number of departments, we do everything we can to ensure that the departments we now have streamline their efforts from the top down. It is understood that the departments accept reasonable proposals from their ministers, but the ministers should keep their ears to the ground so far as their backbenchers are concerned.

Instead of setting up an even greater bureaucracy in every department with more and more experts knowing more and more about less and less, we should return to the good old, common sense days of Parliament. We have 265 men here who have been chosen at random but who represent the common sense and the good judgment of the average Canadian citizen. That is good enough for me.

I would go along with the presidential system if I thought anybody in Canada or anybody in the world, for that matter, had enough knowledge, integrity, application and the popularity to lead the Canadian people through thick and thin. History has shown that such a man has never been produced. In my opinion, the greatest leaders in history have been those who have been great enough to reduce their ultimate power by sharing it among men they recognized as being as dedicated, as knowledgeable and as loyal to their country and the free enterprise principles for which they stood. It is when such men are willing to share these powers, and when those of us who sit behind the chosen leaders have the courage to discipline them, that Parliament works best.

Monetary control is our only weapon. We must be able to refuse to pay these people who are not carrying out the will of the people. That is the only way Parliament can work. I will fight against this as long as I am here, and I will not preach to others that which I will not do myself. Any time my party seeks to subvert the will of the people by giving them things they do not want or by setting up power groups beyond the control of the people, I will seek a seat elsewhere in this House. I do not think it will be necessary to go back home to Alberta to preach revolution and grow radishes—and I have grown my share of radishes. I have seen the results of the preaching of revolution. I should like to see a little more evolution in respect of our affairs. Perhaps we should even take a step backward toward the days when we believed in the very institution to which we belong, and to which we have sworn to dedicate our time and loyalty.

In a little lighter vein, let me say I was interested in the dream expressed by the last speaker of keeping the St. Lawrence Seaway open. A dream is one thing, but practical operation is another. If the previous speaker had thought for a moment he might have recalled that rainfall in Canada is marginal and if it were not for the wisdom of the Almighty in freezing up our lakes and rivers in the winter time most of Canada would be a desert.

The idea of keeping our rivers and lakes open all year has to be thought out very carefully. At this time we require a great deal of research before interfering with the nature of our rivers and lakes, the ecology of our Arctic, the wild creatures, and even the future of our forests, grasses and other growth. There is a need for research. In Parliament, a multiplicity of ideas are expressed and I believe an alert executive could pick out the important things, be they dreams or solid, well thought out scientific advice. No one man has all the knowledge.

• (4:00 p.m.)

I realize, of course, that I have been somewhat negative and critical up to this point. However, when I rise to speak I usually try to offer something positive as well. If we accept the fact that these ministries are necessary—and I have no doubt we will have them—I should like to suggest how the extra amount of taxpayers' money which is to be spent in this regard might be used. There are two ministries which are long overdue. I suppose people are thinking that, first, I talk about cutting down and then talk about creating additional ministries. I say that if we are to have new ministries let us exercise some common sense in this regard. We need a ministry of youth. This is not a new idea. Ten years ago I spoke at length in this House about the need for a department or a minister of youth. I believe the ten years which have elapsed since then have proven the need.

Every department of government in Canada, to a certain extent, is involved with the problems of youth, some deeply and some not so deeply. There should be co-ordination of the work of these departments. I do not think the pied piper approach will work as well as the previous speaker suggested. I believe the young people of today, if the pending federal election is held off for another 18 months, will probably have the vote. Most of them will be unemployed unless we do something about that problem. I believe a ministry of youth could well make this its number one project. There is the danger, of course, that people who are not in favour of the idea of a department of youth will say I wish to establish a Hitler youth movement. Far be it from me; but it is essential that the interests of our young people be co-ordinated. A great percentage of the taxpayers' dollar is involved in

their education. Their future in terms of job placement is very complicated at present. The trade training program of a previous administration was probably the best thing it did. It far exceeded in importance the bill in respect of the Great Slave Railway, the selling of wheat to Red China or any of the other short-term stop-gap things which are very necessary and important.

However, the welfare of our youth involves the welfare of our whole nation. The youth will not be satisfied with the dulcet tones of the pied piper's music any longer. They want something solid; they want assurance that they will have an opportunity to take their place in this new dynamic Canadian society. They want to help us beat the Japanese and the West Germans in the markets of the world. I hope they will never be called upon to fight in our armed forces, but they certainly will be called upon to serve in a Canada which is alert to its responsibilities in the world. In terms of economics, we are in the proud position today of having our balance of payments position good and our exports high. Yet, it is strange in this age of great and magnificent affluence for many of us—some people say for 90 per cent of us—that 10 per cent of our population, and most of them young people, should be neglected. This is not the fault of any one administration. My party formed the administration when I begged for action in this regard. I have begged for it ever since. Several provinces have taken up this challenge and their departments of youth are working very well.

The original dream in respect of the Company of Young Canadians was good. I believe we learned something from that. I do not think we should put off any longer the consolidation of our efforts on behalf of the young people merely because we made a mistake. Far from it; the mistakes in respect of the Company of Young Canadians should be merely sign posts along the road indicating where the soft ground is. But let us have leadership. Let us not place this responsibility on the shoulders of a junior member of the new administration. Such a person should not be a sub-cabinet man but rather the finest leader we have. If necessary this responsibility could be that of the Prime Minister himself. If he has the magic touch with the young people, why not put it into action; why not give our young people the leadership they are anxious to have. We do not want only the 13 year old girls with autograph books waiting for the next act of the Prime Minister. We want the college graduates, the young men and women who desire homes and solid jobs in Canada, clamouring on Parliament Hill.

I wish many of these young people would march here with banners calling for this type of action. This would be preferable to having them lead a revolution or a movement to upset the government. I submit that so far the government's best has not been good enough. A negative approach is not good enough. When there are not sufficient jobs to go around in Canada I do not think it is good enough to say, "let us just share the jobs we have". This attitude reminds me of a snake with its tail in its mouth. I am afraid that when we have had 10 more years of this there will not be a snake. I suggest we should have a plan for Canada which is big enough to include all of us. In a country the size of ours there should be a clamour for immigrants. The future in Canada should be such that a solution would be possible for even the problem the young people are worried about. They do not want to bring babies into this world because some of them say there is no future here. I would like to think that every family could have four children who would have a future and that no one would have to worry about abortion.

I would like to see the people in the position of having to worry about income tax and running away from Benson. I would like to see them in the position where they would have to worry about paying $4,000 or $5,000 income tax on an income of $15,000. That is the kind of worry they want. If this reorganization of government means that the cabinet ministers will be able to solve some of these problems, then I know there will be a good deal of co-operation from both sides of the House. If we find that members of all parties in this House are absolutely bankrupt of any ideas, or any loyalty to the people of Canada, then it will be obvious that we are already overpaid. I happen to think that a Member of Parliament who does his work is probably donating his time. It is not well-known that the average take home pay of a Member of Parliament is that of a public school teacher. Many people come here at a monetary disadvantage. They do not have their arms up to the elbows in the public treasury. Those people who speak out at this time will have very little chance of getting the double pay that is to be offered to these extra cabinet ministers.

• (4:10 p.m.)

I believe it is very dangerous to think that any government in Canada is in such an entrenched position that it does not have to worry about a turnover in the future. I do not think for a minute that government members should be worried about their own tenure of office; far from it, but it is discouraging to hear it said in this House "we are not worried about you". I do not expect them to be worried about me or my leadership or lack of leadership, but I do expect them to be worried about the fact that the people of Canada are looking for quality in government which they do not think they are getting at present.

Having been here 12 years, I know how difficult it is to gain a reputation for giving the kind of service which the public wants. But we have to go to work on it and we will have to have the co-operation of everyone. I do not think it is necessary to try to make something appear legal which, in fact, is not legal. I do not think it is necessary to try to fool anyone. I think much time may be gained by coming out in the open and explaining to us what the problem is. Let us take, for example, the problem that arose about hiring Francophone students. I for one was very disappointed that it became a *cause célèbre*. I feel certain that if we had known all the facts, which we did not know, this would have been unnecessary because there are equally generous offers for every-

one in this country. These matters should have been discussed frankly in the House.

The hon. member for York East (Mr. Otto) who spoke before me referred to the dream he has. I will give you mine. I do not know how this dream could be brought about except through the agreement of all parties. I should like to see, as a result of government reorganization, some machinery established which would enable us to have an all party caucus which would meet once a month. Since we are all prima donnas, to a greater or lesser extent, I would want the press to be excluded from these meetings. Thus, we would have an opportunity once a month to appeal to members in all parties without our remarks getting into the press and without trying to influence the people back home. We could speak with as much confidence as one could expect in this bear pit about matters on which we will agree.

One such matter, for example, could be the full employment of our young people. We could discuss the problem and thus find ways of shortening the discussion in the House. We could discuss the expenditures necessary for training facilities and for leadership, for all the things that would be necessary to overcome not only the problem at present but as it might develop in the future in view of automation and outside competition in a highly industrialized and aggressive business world. For this we would need the co-operation of everyone. Is it too much to ask that we meet once a month, if necessary behind closed doors because we are not sufficiently mature to do it in the open, to discuss matters which would benefit the people of Canada as well as the rest of the world on which we do not really require any debate?

In this way, we could eliminate the bottleneck which we encounter here on all matters which do not require debate and which are very serious. It seems to me that we would then not have to wait for a place on the Order Paper. Once a month we could donate an hour or two of our time. This would not necessarily be compulsory but we could say "I was there and I told the government how far I was willing to go along the road of co-operation." This has not been done since the days of Burke and Pitt—more is the pity. In the last 200 years we have solved some of the problems which they faced in those days. In the days of Pitt and Burke—the great men of the English parliamentary system—there was child labour. Children, some of them with tuberculosis, were washing bottles 18 hours a day in garrets.

The problem we have now in Canada is sharing too much wealth. Some of us are so drunk with our own wealth that we are willing to sit back and say that we can stand 10 per cent unemployment. Perhaps I understand the situation because I lived for a good many years of my life among the 10 per cent who did not have too much. I did not have a two car garage. I lived in a world where one did not always have enough to feed the children and one had to have the scars of labour on one's hands. I think that the reason this institution is still working is that we can still stand up and debate here. I hope it is not too late to get through at least to the backbenchers in this House and to say that we all agree on certain matters. If we are going to use 35 ministers to do what 30 people are able to do, let us hope that the 35 will work more effectively than the government has done in the past.

[*Translation*]

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, it would be assuming a lot to say that, should this bill be passed by the House, I might become the first Parliamentary Secretary of the new Department of Environment. Of course I would be honoured to assume that responsibility and to serve the government and the minister in that capacity.

I support readily Bill C-207 respecting the organization of the government of Canada and the setting up of a new department—some have called it a superdepartment—which will assume tremendous responsibilities with regard to the management and protection of our environment.

I endorse this bill because it has become necessary to place under one authority most of the responsabilities relating to environmental quality. It would be easy to believe that this new department has been made necessary because public opinion has been requesting it in recent years. Obviously, its establishment was suggested in the recommendation of various task forces, by several hon. members and even by editorialists.

However, let us not oversimplify like the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) who said and I quote:

• (4:20 p.m.)

> The government knows that the public are distressed and alarmed about the pollution of our air, water and soil. It knows that the public are clamouring for action. So the government has decided that this is a popular issue and that it must do something to appease the public clamour. The government's solution is to appoint a minister to deal with this matter. But, Mr. Speaker, the mere establishment of a bureaucracy under one minister will not in itself cope with the problem of increasing pollution.

Mr. Speaker—as I said a few moments ago—this is political small talk. The government is obviously aware of the expectations of the public and knows it must take them into consideration in due course. Creation of the Department of Environment became necessary because of the need for the federal and provincial governments to control pollution through efforts which should logically result in setting up an organization responsible for a good number of the serious and widespread pollution problems that affect air, water, land, in a word, for everything that moves and blows.

Mr. Speaker, I have no intention of delivering a lecture on the quality of the environment. It is true that I would have a whole series of opinions to express and I know that all hon. members will not necessarily agree with me. We know by experience that their opinions vary easily. In any case, there will be other chances for me to speak on the subject of environment.

Today, I speak in support of this new government measure. In the past, I have had, in my capacity as a simple member, the opportunity of requesting a better governmental organization that would admit of more rigid control over the rational development of our natural resources and that would allow for the passing of more adequate conservation measures. And on this question, I agree with the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) who has said so eloquently, and I quote:

> We all agree that the idea of having one minister responsible for pollution control and for the preservation of our environment is a good one. It is being suggested that the Minister of Fisheries and Forestry (Mr. Davis) will probably be appointed to that post. He is a man who has always been deeply concerned about pollution problems. He comes from a part of Canada where we have seen some of the devastating effects of pollution, in particular its effects on our fishing industry, and I think the choice of that minister to become head of a department of the environment is a good one.

Some will say this new department should have been established several years ago. Undeniably, the new name, Department of Environment, will focus attention particularly in the fight against pollution but it is wrong to claim that up to now the government was not concerned with the problem. In fact, excellent legislation has been introduced here, sponsored by other departments, since the early days of this Parliament,—and I give as an example, the Canada Water Act, which in the future will come under the jurisdiction of the Department of Environment. For a good number of years, the Minister of Fisheries and Forestry had some prerogatives that enabled him to conduct the fight against water pollution in particular. It would be fair to say that water pollution has always been a major concern of the Minister of Fisheries and Forestry.

Besides, the idea of setting up a Department of Environment is beginning to take form in several if not all provincial governments and specially in New Brunswick where they decided to follow the example set by the federal government. They cannot be blamed. On the contrary, they deserve encouragement.

Some will say that it was not necessary to reorganize certain elements of the administration. The answer to that is that times have changed and the government must necessarily adapt its structures to the priorities of the day. In fact, it has to act before a crisis develops and in the present situation, it must try to protect ecology.

I think that the new department will neither be too big nor too powerful, if the need for it is recognized from the start. This is too serious a time, Mr. Speaker, to linger on idle considerations.

I believe that all hon. members sincerely acknowledge the need for the new department responsible for the balanced management and control of our renewable ressources as well as the quality of the natural and human environment. Some will say we do not go far enough, others that we are too late, that we did not act quickly enough, etc. If those people are sincere, they will not hesitate to adopt the proposal presently under study. As a matter of fact, I invite them to bring forward some

constructive criticism, and not some purely partisan considerations, in order to help the government carry out its mandate in an enlightened way.

I listened yesterday to all hon. members who spoke on this bill. I heard the hon. member for Kootenay-West (Mr. Harding) read some extracts from the 9th review of the Economic Council of Canada, advocating the establishment of an environment council. I am happy that he is considering this recommendation seriously.

A little over a week ago, the hon. member for Malpèque (Mr. MacLean) urged the government to establish a human environment council. Rising to speak on that occasion, I quoted several passages from the 9th review of the Economic Council.

There is no problem here. To my mind, all members as well as the government agree that it would be useful and appropriate to create such a council whose task would be to give advice and recommendations and perhaps suggest bold and positive policies. This environment council will probably be established eventually and I hope it will be soon.

The member for South Shore (Mr. Crouse) has expressed the fear that the fisheries service, and in the end all the services provided to fishermen until now, would be lost in this new Department of the Environment.

I can understand his point of view, but the minister has already given us assurance that it will not be so. The fisheries service will keep its identity; it will continue to give improved services and to suggest bolder policies in connection with all Canadian fisheries, whether they be Atlantic or Pacific coast fisheries, Arctic or soft water fisheries.

It would be wrong for any member to interpret the merger of the Department of Fisheries and the Department of the Environment as a death blow to fisheries or even as a lack of interest on the part of the government in one of the oldest and most respected occupations in North America.

I would even go as far as saying that any member who would so interpret the creation of the new department would be practicing partisan politics. This having been said, I admit that any member has a right to speak that way. To me, such a stand would denote that he has not understood the significant objectives proposed by the government in instituting the important Department of the Environment.

• (4:30 p.m.)

On reading the remarks of the hon. member for South Shore, I noticed certain parts which give me some concern as to his objectivity. I still respect the strength of his arguments, but I do not know what the hon. member meant yesterday. He wanted to act as the spokesman for his party, for the fishing industry, with regard to Bill C-207. I could not help noticing the confusion of his assertions.

On the one hand, he clearly admitted that he agreed in principle with certain parts of the bill, such as the Part I,

dealing with the establishment of the department of the environment. He actually said, and I quote:

—I welcome the establishment of the department of the environment.

Then he stated, after having admitted that he had always considered the Department of Fisheries and Forestry as a full-time occupation, and I quote:

Now, if this is so, I can only conclude that the minister designate for this new conglomerate will be bogged and overburdened, so something is going to suffer.

Let us face the facts.

With a department of such magnitude, ministerial responsibility is no longer possible, because of the sheer amount of work.

It becomes impossible to look after all those matters, according to the honourable member. But what solution does he suggest to reduce the burden of the minister? He objects to the appointment of five Ministers of State. He stated:

This is a preposterous recommendation.

—a political piracy of the public purse by this Liberal government.

The minister will be too busy, but the honourable member does not want him to have a parliamentary secretary to help him.

I do not understand what the hon. member is driving at, Mr. Speaker. In my opinion, his story does not make sense. We might learn something more at the committee stage.

I also want to say that I did not intend to pick on the member for South Shore for whom I have much esteem as a fellow citizen of the Atlantic provinces. I merely quoted his words to show the confusion other members of his party share with him, because they approach the bill from a much too partisan viewpoint. Yet, they do not have the monopoly of truth.

Fortunately, the member for South Western Nova (Mr. Comeau) who is carefully listening to me this afternoon and whom I also like very much, is a little more understanding. Therefore, there is a little hope for that side of the House.

We must be wise enough to change with public opinion, with the sometimes upsetting turn of events. We must not fear to help make history. To keep what is good, to preserve and to improve our environment or some parts of it, to wisely develop our resources, considering the quality of the environment, to seek man's happiness, to ensure our future and the future of generations to come, such is the difficult task of the new Department of the Environment.

I shall limit my remarks on that particular subject, Mr. Speaker. I might have more to say at the committee stage or at the third reading stage.

In conclusion, I would like to quote an excerpt from the *Christian Science Monitor* of December 11, 1970, a newspaper distributed free of charge to all members—in fact I do not know why—that contains many editorials on pollution, ecology and all that.

This newspaper tells us that the Americans are as much concerned with this matter as we are.

The article I mentioned is entitled:

[*English*]

"Silver lining seen in pollution cloud". The article, in part, reads as follows:

America's crackdown on pollution is proving to be a blessing in disguise for some businessmen. Widespread concern about environmental spoilage and destruction is inspiring invention and creating a wide new field of private enterprise as well as thousands of jobs and career opportunities.

So, instead of fighting the antipollution wave, often directed at industry, many smart industrialists are taking advantage of it.

How much and how fast this new business grows may depend on how tough cities, states, and the federal government are on environmental polluters and how much money the taxpayer is willing to spend to clean up the sky, earth, and water around him. Only a few firms will spend money for pollution abatement without being forced to.

A little further on, the article reads:

Much of the new environmental concern by industry is obviously the direct result of state and federal antipollution legislation. Local governments generally have been much slower to respond. —

Dr. Robert W. Cairns, vice-president for research for Hercules Corporation of Wilmington, Del., predicts that industry can solve this nation's pollution problems 'with proper environmental and economic incentives.' —

H. D. Doan, president of Dow Chemical Company, another industrial giant, recently spoke in a similar vein. He chastised industrialists for complaining about the financial burden of antipollution legislation and told them to turn the situation into business and profits by providing 'new ways of thinking and new technical answers.'

Industry, he said, can make money in the vast environmental cleanup.

I am not opposed to that, Mr. Speaker.

Mr. Comeau: Would that not raise the cost to the consumer?

[*Translation*]

Mr. Corbin: This, I submit, is a progressive—not conservative—attitude worth mentioning during the study of this bill.

It would be unfortunate if some politicians were to lead the public to believe that the responsibility for eliminating pollution rests entirely with the government. In this fight against environmental pollution, our primary objective is sound balance between those resources which could be exploited for the benefit of the Canadian people and mankind in general and preservation, conservation and restoration. There should be balance in the distribution of efforts in order to wipe out pollution, and these efforts should be exerted equally by the various levels of government and industry. The time has come for our businessmen and our industrialists to join forces and attune their efforts and expenditures to those of the governments.

Finally, I will say that young people who are still undecided as to their future career should give a thought to the wide field of activities related to this fight against pollution.

[*English*]

Mr. Doug Rowland (Selkirk): Mr. Speaker, the hon. member for Pembina (Mr. Bigg) on several occasions during his speech apologized to this House for being somewhat negative. I intend to be somewhat negative, but I will not apologize. I think it is the duty of a Member of Parliament on some occasions to be negative. I consider this bill to be an outrage. It is undoubtedly one of the most misbegotten, if not the most misbegotten, pieces of legislation ever to appear before this House. Obviously, it is the Prime Minister's (Mr. Trudeau) bill. That would be obvious even if his name did not appear on the front page, because it demonstrates a total lack of understanding and an utter contempt for this institution.

Lest some think that I am about to launch into an "Oh, dear, things aren't what they used to be at the old school" speech about the hallowed traditions of parliament, let me disabuse them. I object to Parliament being treated with contempt. I object to its importance, its prestige and its role being downgraded; because only a healthy, vital and vigorous House of Commons can hope to exercise proper control over the immensely powerful men on the cabinet benches who direct and administer this country and, in so doing, exercise the vast and ever-increasing powers of its government. Moreover, and perhaps more importantly, only a healthy, influential and aware House of Commons is capable of injecting into a governmental system increasingly dominated by the bureaucracy the kind of responsiveness to the felt needs of the people that is necessary if complete alienation of the people from their government and the consequent anarchy, violence and repression are to be avoided.

As is so often the case with things the Prime Minister does, this bill is too clever by half. It demonstrates the danger in someone's adopting the advice of Machiavelli without understanding that Machiavelli was proferring his opinions to another sort of prince, one who governed in a land without law and without well founded institutions of government.

We are being asked, in considering this bill, to pass judgment on no less than nine different subject matters and at least five, perhaps more, matters of principle with a single vote. In summarizing them, I think I can do no better than to quote from the remarks made by the hon. member for Halifax-East Hants (Mr. McCleave) as reported on page 2760 of *Hansard*:

• (4:40 p.m.)

> —there are these separate provisions in Bill C-207. The first part, clauses 2 to 7, creates a Department of the Environment. The second part, clauses 8 to 11, amends two acts: the Government Organization Act of 1966, and the Resources and Technical Surveys Act. The third part, clause 12, amends the National Research Council Act. The fourth part, clauses 13 to 24, creates ministries and ministers of state. The fifth part of the bill, clause 25, amends the Parliamentary Secretaries Act, otherwise known as "answering the prayers of the hungry". The sixth part, clause 26, amends the Post Office Act. The seventh part, clause 27, amends the Public Service Superannuation Act. The eighth part, clause 28, amends the Salaries Act. Finally, part nine, clauses 29 to 34, contains general and transitional provisions, and these may be apportioned variously among the other parts.

[Mr. Corbin.]

He went on to say:

> To recapitulate in a slightly different way, we are being asked to create a new department; we are being asked to vary administrative duties of some existing departments; we are being asked to create ministers of the Crown who will formulate and develop government policy and, as well as providing for these salaried ministers, we are being asked to provide for additional salaried Parliamentary Secretaries. Distinct from those matters, we are also asked to vote yea or nay, without hearing witnesses, on behalf of those affected on the question of the retirement rights and obligations of public servants.

In attempting to justify the inclusion of such wildly differing subjects within a single bill, the President of the Privy Council (Mr. McEachen) offered us this gem, and I quote from page 2762 of *Hansard*:

> "—the overall theme or overall principle of the bill is the improved organization of the government and that of each of these so-called propositions is directed to that policy objective—"

One can immediately recognize that argument for what it is, sophistry, and mediocre sophistry to boot. The Prime Minister in preparing this legislation, knowing himself to be extremely clever and, speaking ex cathedra, having declared the rest of us to be nobodies, decided to pack so much material into this bill that there would not be an opposition member or a government backbencher who could not find within it an opportunity to ride his own particular hobby horse. Thus, he anticipated each of us would enthusiastically ride off in a different direction, leaving him free to do as he pleased.

Moreover, by including a motherhood provision in the form of a department of the environment, he felt he had ensured a favourable vote for the bill. This is the same practice so often employed by American congressional committees, a legislative technique universally deplored. Well, I am not going to play his silly little game. Apart from everything else, this bill is aggravating because it graphically illustrates the ignorance, incompetence and inefficiency of the government. By placing each of these several measures in a single bill, they have virtually guaranteed that more time will be taken to enact them into law than if each had to be introduced separately, as should have been the case. I say this because it is a lead-pipe cinch that most members who speak on the bill will give vent to their entirely justified anger at the form of the bill, as well as debating the substance of the various subject matters. It would be hard to discover in the history of this country another government which has so effectively and consistently botched the presentation and execution of ideas, even good ideas, as has this government.

As annoying as it might be to be subjected in this fashion to the inefficiencies which result from having to follow the whims of a rank amateur in terms of the managing of this House—I am not speaking of the President of the Privy Council—it is downright enraging to hear the President of the Treasury Board (Mr. Drury) argue that the provisions of the bill will strengthen our democracy when the bill itself, and many of the omnibus bills which have preceded it as well as those which will undoubtedly succeed it, tend to weaken our central democratic institution, Parliament. Whether this is an acceptable form of legislation is one of the matters of

principle that our vote on second reading will help to decide. I suggest it is not.

Stephen Leacock once described Parliament as:

> —a place where men come together merely to hear the latest legislation and indulge in cheers sighs, groans, votes and other expressions of vitality.

Parliament may often resemble that description, but in spite of all it does serve the useful function of helping to focus public attention upon matters of concern and to define and delineate the considerations involved. In so doing, Parliament aids the public in coming to intelligent conclusions about the actions of government and helps individual members of the public to decide their own position on questions of importance. This whole process, so key to the effective functioning of a democratic state, is injured and perhaps even dies when the issues before Parliament become unfocused and blurred about the edges, when the manner in which they are presented lacks clarity and precision. Nothing could obscure issues better than does this bill and yet the government would have us believe that some of its provisions will strengthen our democracy.

Bernard Crick in his book, "The Reform of Parliament" had this to say:

> The only meanings of parliamentary control worth considering, and worth the House spending much of its time on are those which do not threaten the parliamentary defeat of a government, but which help to keep it responsive to the underlying currents and the more important drifts of public opinion. All others are purely antiquarian shufflings. It is wholly legitimate for any modern government to do what it needs to guard against parliamentary defeat; but it is not legitimate for it to hinder parliament, particularly the opposition, from reaching the public ears effectively as it can. Governments must govern in the expectation that they can serve out their statutory period of office, that they can plan—if they choose—at least that far ahead, but that everything they do may be exposed to the light of day and that everything they say may be challenged in circumstances designed to make criticism as authorative, informed and as public as possible.

I, in principle, accept that statement, although I would reserve the right to modify it in detail. The corollary of such a statement is that votes in the House are no longer the important control over the actions of the executive. Rather, appeals by the opposition to the electorate are the important control. The only real sanction, the only real stricture on government action now, is the prospect of defeat in the next election.

With a majority government and the well-established pattern of voting solidly by party, the votes in Parliament are virtually meaningless and are useless as a means of effecting parliamentary control. What is important in the functioning of Parliament is the opportunity for discussion. What is important in the functioning of Parliament is the quality of the discussion conducted. What is important in the functioning of Parliament is that discussion be focused. How in heavens name can discussion be focused when a bill includes at least five different matters of principle? How are the gentlemen in the press gallery going to impose an order and a theme upon a debate which will bounce from pollution, to ministers' salaries, to pensions, to jobs for the boys, to the post office and back again? And how, as a consequence, is the public supposed to form any opinion except that this place is a hopeless mess?

I have already described the dangers attendant upon Parliament becoming a less effective mechanism of control over the executive, and a less sensitive instrument for transmitting to and impressing upon the executive the needs and aspirations of the people of Canada. The increasing use of the omnibus bill as a means of presenting government legislation is but another in a long series of steps taken by the Prime Minister to make Parliament as irrelevant in fact as it always has been in his fancy. Every measure which this government has taken in the name of Parliamentary reform or government reorganization, including this bill, has had the effect of making Parliament increasingly irrelevant and powerless and of expanding the power of the cabinet, more especially the Prime Minister.

I suppose one could argue two exceptions to this general rule, the first being the government's endorsation of the new committee system, the second being the provision of research assistance to opposition parties. I do not intend to launch into an analysis of each, but in reality they represent the Prime Minister, the illusionist, at his best—or worst. Its the old shell game. Research assistance was given to the opposition parties and now to government backbenchers, but not enough to make a profound difference in the effectiveness of the House, simply enough to make it appear that something had happened. In the case of committees, they were denied the staff and the powers which would have made them truly effective and immediately the government began pointedly to ignore their existence. As an illustration, I need only refer to the fact that a decision was taken by the government on its role in NATO at the same time as a parliamentary committee was sitting to determine its position on that very matter, or to the fact that the government decided to cancel the Prince Edward Island Causeway project before a standing committee of the House examining that question, among others, had had the opportunity to conclude its deliberations. There are a multitude of other examples.

• (4:50 p.m.)

I want to look briefly at some of the other developments which have contributed to the aggrandizement of the cabinet, especially the Prime Minister, at the expense of parliament. I do this at the invitation of the President of the Treasury Board who has indicated to the House that one of the purposes of this bill is to give us an opportunity to discuss the development of the ministry and its future.

One of the first things the Prime Minister did on entering the House was to establish a roster or system of rotation for the appearance of ministers during the question period. This measure was taken by the Prime Minister without any prior consultation with opposition parties, even though a committee to study procedure was at that time being established. The delays and buck-passing made possible by the roster system have down-graded the importance of the question period, made the atmosphere in the House a lot less electric, and given ministers more time to prepare a mass of verbiage with which to

bury their mistakes. A highly desirable thorn in the government's side has been blunted.

Mr. Francis: Remember the new procedure we have.

Mr. Rowland: I will come to that in a moment. Next was the establishment of the Prime Minister's regional desks. On the surface, the regional desks would seem to be the Prime Minister's attempt to honour his pledge to bring the government closer to the people. The regional desks will act as the eyes and ears of the Prime Minister in every corner of this country. They will act as funnels of information from the people to the Prime Minister. If a person has a problem he can now easily bring it to the attention of the Prime Minister, or rather to a member of the Prime Minister's personal staff. In this sense, the government will be brought closer to the people.

But what are some of the other results? First, it will mean the by-passing of Members of Parliament. If you can go directly to number one, or be persuaded that you are going directly to number one, why bother with number 264, or even number two? In short, the regional desks will rapidly create a situation in which the executive is expected to act as a check upon itself. The Prime Minister, through his regional desks, will be omniscient and omnipresent. Ultimately, and in a political sense, he will also be omnipotent.

Then came rule 16A, which substituted for freely negotiated agreements on the allocation of time in the House the absolute authority of the government House leader, even if he was opposed three to one, or even if he met by himself, to set down any arrangement for the allocation of time for the consideration and disposition of any item or items of the business of the House or its committees. The opposition succeeded in defeating this attempt to create a gag for the House, but another rule only slightly better, the son of 16A, is now part of the Standing Orders of this House.

Then, there are the countless executive task forces and commissioned studies which have been established and announced to the public with great fanfares of publicity since this government took office. However, there has been only one Commons committee of inquiry. The executive task forces report to the cabinet, even to the Prime Minister, directly. The cabinet decides whether the findings should be made public, and the reports are declared privileged documents. This has resulted in an increase in the information gap between ministers and other members. It has also resulted in the glamour and publicity surrounding the cabinet, while the House has been pushed back into the shadows. I could go on and cite other examples but I believe I have made my point. In any event, I can make the same point again by referring to the section of this bill which deals with ministers of state.

In introducing the bill, the President of the Treasury Board offered the following justification for it. As reported at page 2769 of *Hansard*, he said:

> In essence, the government organization bill deals with the constant challenge facing Parliament and the government to be as efficient as possible in doing those things which are in the interest of the Canadian people and society. This challenge is imposed upon us by the rapid changes taking place today, and our response in this regard must be positive. Both Parliament and the government must be flexible; both must adapt their procedures and structures; and in the final analysis, the test is whether they are continuing to respond effectively to the needs of society and of the world with which they must deal.

In short, the argument is one of efficiency. One simply cannot quarrel with the objective of enabling the government to readily adapt itself to changing situations. But the means selected to accomplish this are something else. Two kinds of efficiency are involved: efficiency in terms of rapid policy development by the administration, and efficiency in terms of the adaptation and strengthening of our democratic institutions. I submit that the ministers of state proposition contained in this bill indicates the government has opted entirely for the former at the expense of the latter.

With your permission, Mr. Speaker, may I call it five o'clock?

Mr. Deputy Speaker: Order. There would have to be unanimous consent to call it five o'clock. Is it agreed that the Chair call it five o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Saskatoon-Biggar (Mr. Gleave)—Trade—Steps to limit imports of Australian and New Zealand beef; the hon. member for St. John's West (Mr. Carter)—Industry—Construction—suggested removal of sales tax on building materials; the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Government Property—Vancouver—suggested refusal of lease to Four Seasons Hotel.

It being 5 p.m. the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely Notices of Motions (Papers).

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, on one previous occasion the hon. member for Vancouver-Kingsway (Mrs. MacInnis) brought before the House one of several Notices of Motions for the production of documents standing in her name. At that time it was agreed that she would select one of them and the others, all in the same category and dealing with the same subject matter, would go off the Order Paper.

Pursuant to this agreement, one of the hon. member's motions is coming before the House again, and it is agreed that the same procedure should be followed. The House will therefore proceed to the consideration of Notice of Motion No. 130, standing in the name of the

hon. member, and all other Notices of Motions for the production of papers standing in her name that precede this motion on the Order Paper will be removed. I think the hon. member will confirm that.

Mr. Deputy Speaker: Hon. members have heard the Parliamentary Secretary. Is it agreed that an order be made in the terms he has outlined?

Some hon. Members: Agreed.

PRIVATE MEMBERS' MOTIONS FOR PAPERS

HEALTH AND WELFARE

REQUEST FOR COPY OF STUDY OF FAMILY PLANNING IN VANCOUVER

Mrs. Grace MacInnis (Vancouver-Kingsway) moved:

That an Order of the House do issue for a copy of the study undertaken by the University of British Columbia in the fiscal year 1969-70 funded by the Department of National Health and Welfare on "Social and Medical Factors of Women Attending Vancouver Family Planning Clinic and a Group of Women not Attending a Family Planning Clinic in two areas of the City of Vancouver".

She said: Mr. Speaker, the motion I wish to discuss today requests a copy of the study undertaken in the fiscal year 1969-70 which was funded by the Department of National Health and Welfare and has to do with the social and medical factors of women attending Vancouver Family Planning Clinic and a group of women not attending a family planning clinic in two areas of the City of Vancouver. This study would be of great interest to me if I could obtain a copy of it, because what we are trying to do not only in Vancouver but across Canada is to emphasize the need for widespread birth control information and the establishment of family planning and birth control clinics. It is of great significance and importance that studies of this kind be made available not only to members of Parliament but to the public generally.

• (5:00 p.m.)

It would appear from the title of this study that we have two groups of women in comparable economic situations, one of which attended a family planning clinic while the other did not. Apparently we also have a comparison of the results of these two situations. I do not know what is in the report and there is no way of which I know, of getting the information to the people who would be concerned and interested in having it.

I find it astonishing that such information should be withheld from the members of this House. There are obviously no security reasons involved and no reasons for secrecy. The taxpayers provided the money to have this study conducted. On another occasion in this House, I pointed out the testimony of one research individual who has done studies for the department and who feels that nothing but public good could be served by having these studies made available to people in this House and others who require them. I think a refusal of this kind is beyond understanding and I want to protest once again that this should be the case. Let me also say that even though I have dropped the other resolutions on this subject from the Order Paper, because I did not want to monopolize the time of this House, there will be others to replace them on the Order Paper under my sponsorship or the sponsorship of other people, at least until we succeed in having this unreasonable regulation removed.

I can understand that if there were questions of security involved in this sort of thing secrecy might be necessary, but for the life of me I cannot see that this government is doing any service by withholding very essential facts from the people of this country. From the little bit of knowledge we have been able to glean, some of it out of date, we know how important this subject is.

For example, back in 1960 the United Community Service of Vancouver, which is a big united welfare organization, did a survey on multi-problem families, that is families with children on the records of social and health agencies in the city of Vancouver. That organization found that in the course of one year there were between 2,100 and 2,800 such families with two or more of the following problems: economic, behavioural, health, child neglect and juvenile delinquency. The organization found that half of these families experienced three or more of these problems. I point out that this survey was done in 1960 and that undoubtedly the proportion would be very much greater under today's conditions.

We must remember that these are conditions which are of very great concern not only to people interested in the quality of family life and situations these families face, but also to the taxpayers who have to foot the bills in respect of economic, behavioural, child neglect, juvenile delinquency and a host of other problems facing us in any of our big cities. Among the characteristics of these multi-problem families on the records of the social and health agencies which this survey mentions is that these families have a large number of children. In fact, the families produced not less than five children on the average, which is much higher than the Canadian average of something over three.

The survey also pointed out that in a large number of these families the parents had contacts with social agencies long before the formation of these families and that their children were turning much earlier toward health and social agencies for help. The survey also found inbreeding in these families. One classic example was a man who had 230 relatives by blood or marriage known to a social agency. That might be a bonanza for the civil or public service, but it certainly was not a bonanza for the city of Vancouver when it came to looking after these relatives with all their costly problems.

There is a great need for birth control in families of this kind. The survey states:

In light of the above facts, it would appear well worthwhile making every effort to bring family planning services to those families, as all the evidence suggests that few dependent families really want to have large numbers of children. They may get them because they are too ignorant, apathetic or feckless to use effective birth control methods.

It goes on to say:

> Very few of this type of family use the services of the family planning clinics—only 24 persons on social assistance visited the clinics last year, [that would be 1959] and while some, no doubt, seek their doctor's advice, the birth rate suggests that many do not.

This survey was conducted in 1960, but even in 1970 and now in 1971 there are only three large hospitals in Canada out of some 900-odd which have family planning clinics attached. One can realize the tremendous need. The survey goes on to state:

> That this type of family can be successfully encouraged to plan their families has been shown in England, where a domiciliary family planning service in one instance reduced the birth rate of the families serviced over a period of two years from 7.8 to 6.3. This service is now being provided by an increasing number of English municipal health authorities through the agency of the Family Planning Association.

If we could get adequate family planning information in Canada, and I am talking specifically about British Columbia which is by no means the worst, but does require it, distributed throughout this country, along with accessibility to birth control devices we could reduce the average number of children per family. This would have a number of important results. It would reduce the burden of many families and enable them to achieve economic independence. The other day I heard a woman from Toronto say very pathetically, when discussing the problem of poverty: I have eight children and my husband is able to get work for only four months in the year. What am I supposed to do to make ends meet even on city welfare?

The very considerable cost to the state of supporting these additional children would be eliminated if we could get a reduction in the number of children. The survey suggests that:

> Even a reduction in the average number of children per family of from, say, five to three children would mean close to 5,000 fewer children to be supported.

This would mean close to 5,000 fewer children being a worry and a burden to families which cannot support them, even though they worry the same as families in income groups which are able to support that many children.

The survey then states:

> Fewer unwanted babies would also mean fewer children in the courts or in custodial care.
>
> The remaining children would be better cared for by a less burdened mother.
>
> The continuing cycle of dependency would be reduced to smaller proportions.
>
> While environmental factors will play their part, it is reasonable to assume that defects of character, physique or intelligence were responsible for a good proportion of these families falling into the multi-problem category.

• (5:10 p.m.)

> In terms of the future, breeding from the bottom does not make too much sense.

The people in this category know that and they are asking for help and advice in the matter of birth control. They are not getting it in anything like the amount we should be providing. I want to say I believe birth control is of the utmost importance. The Family Planning Association of British Columbia in its recent leaflet states:

> Babies born out of wedlock during the 1960's in this province increased from 7 to more than 12 per cent of total annual births. The largest group was born to mothers aged 15-19.
>
> Many of these children are not adopted because the number of adoption homes is dwindling. Some concerned couples are trying to help by having one or two of their own, and if they want more, adopting the rest.
>
> But there are always the left-overs.

Indeed, there are always the left-overs.

I should like to bring to your attention, Mr. Speaker, the words of Dr. O. M. Solandt, Chairman of the Science Council of Canada who, I am very glad to see, has recently solved a serious conflict of interest problem which concerned him and a number of others. Dr. Solandt, whose remarks on this subject of population control are always very wise, recently said this:

> Trying to clean up pollution and solve our urban problems without controlling population growth is like treating a patient's fever with ice packs and aspirin without giving him the antibiotic that will directly attack the cause of the fever. Temporary efforts, just like ice packs, are essential, but we must attack the cause of the disease, not just the symptoms.

Too many people are congregated together in our urban areas trying to avail themselves of the services of their community and the funds which should not have to be handed out in such amounts in order to look after dependent people and their children. I would call attention to the fact that the recent report on the status of women has urged very strongly that birth control facts and devices should be available to all who need them across this country, including those at the school level. I read a report a moment ago to the effect that in British Columbia the largest group of babies born out of wedlock involved mothers aged 15 to 19. If this matter of family planning is directed only at married women, then it will be everlastingly too late to deal with this particular problem.

I should like to turn to another reason for action. There is great concern across this country about the rising incidence of abortion, both legal and illegal. The rising incidence of illegal abortions is well known and has been well documented on a number of occasions. But there are also far more legal abortions in some districts than should be necessary. One reason for the great number of legal abortions, where there is some opportunity for legal abortions and where they are really being carried out, is that people simply do not know the facts concerning the prevention of unwanted pregnancy.

Birth control ought to be the first line of defence against unwanted pregnancy. If we in this House do not succeed in moving this government toward having a wider program on birth control, and having more clinics available, then we fall down in our duty to cut down the incidence of unnecessary abortions. Of course, I am in favour of legalized abortion because at this time unless women can obtain abortions safely when required they will go to places where abortion is legalized. This involves a horrible discrimination against women who are poor and do not have the means to obtain a legalized

abortion. I say to many hon. gentlemen in this House on the benches opposite, who very comfortably consider this problem to be something which does not come too close to them, that they are actually prolonging the agony of women who must have abortions either because the birth control device has failed or because of their ignorance or because of other factors. Many of these women cannot obtain legal abortions.

I see one of my colleagues from Vancouver shaking his head. I do not know whether he is doing so in disagreement or because he abhors the situation. If it is because of disagreement, I would point out to him that the hospitals in Vancouver which do perform abortions and which are trying their best to meet the need do not have the facilities to do it. Pregnancy will not wait. As time goes on one reaches the horror stages. Organizations have travelled around showing pictures of the awful stages which abortion should never reach because it should have been carried out much earlier. I, too, have seen an abortion. I saw it with my own eyes. I should like to see all these horror pictures documented. However, I am not here to discuss abortion, except to say that the reason we now have far more illegal abortions than we should have, and more legal abortions than we need, is simply that we do not make available birth control techniques and devices as freely as we should.

Hon. members may think this is not true, but I should like to point out that 74 per cent of the women who wished to have abortions, and who went to the Planned Parenthood organization in July, had not used any form of contraception. A great percentage of them did not know where to obtain contraceptives or what type to use.

I should like to draw my remarks to a close by returning to my original theme. I believe members of this House are sufficiently grownup to know that we ought to be trusted with the reports the government has. What is the government doing with all these reports? If these reports resulted in legislation and action in respect of family planning, then I might have some sympathy with the practice of secrecy in this regard. I believe these reports need ventilation, lots of fresh air and sunshine. I urge that members of this House who are interested in these reports be given access to them so that we can give the public of this country the knowledge and information they must have if they are to co-operate in this participatory democracy which I want to see become much more real than anything we have at the present time.

[*Translation*]

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I wish to commend the hon. member for Vancouver Kingsway (Mrs. MacInnis) for her contribution to our previous debates on family planning or abortion.

I wish to thank her also for her co-operation in bringing the number of motions on these problems down to a minimum so that her colleagues would have an opportunity to express their opinions in the House.

I know that family planning and abortion are of great interest to her, as I say, but since other members from her party have already expressed opinions on this matter, I would not want family planning and abortion to be considered as a cure-all as readily accessible as contraceptive pill vending machines. I hope we will not come to that because it would be going too far.

If we were to pursue the question of abortion to the point advocated by some members of the New Democratic party, I believe we would be going back to Hitler's time, to eugenics. As a matter of fact, abortion could be practised on request, when the least doubt would exist as to a possible disability of the new-born child. It is going a little too far. I know that the problem at the present time is an emotional one. It requires serious discussion.

But we should not let ourselves be carried away by emotion and create a problem without solution. Abuse must be prevented and it is by adopting fair and reasonable legislation, as we did by amending our Criminal Code, precisely on this important issue of abortion, that we will be able to determine whether we were right or not. I think we will be able eventually to say to the next generation that perhaps we were right to prevent abuse and from the outset to refuse to allow abortion on request and thus step into the unknown as did Russia and other countries which have had to repeal their legislation to protect their people, since we must be quite careful not to become the tools of our own destruction.

It is always nice to find that intelligent people can sit around the same table and discuss a most important question.

• (5:20 p.m.)

[*English*]

My intention this evening is to review certain aspects of family planning, a concept which, as you are aware, is receiving the support of this government, not only in Canada but also through the Canadian International Development Agency in the emerging nations of the world.

[*Translation*]

Mr. Speaker, even in the most privileged countries, the quality of life is now being threatened by a population explosion that was particularly marked these last years. Among the various means suggested to check such a population explosion, the best known is the birth control pill which was approved by physicians and welcomed by the general public.

[*English*]

Introduced some ten years ago, these drugs have held out hope to nations struggling under population pressure and to individuals attempting to plan a family.

To the physician, oral contraception not only presents the accustomed challenge of weighing the benefits of a medication against its possible harmful effects, it also introduces a novel and important relationship between himself and his patient. Hitherto it has been implicit that the patient accept the experience and judgment of the doctor. However, in prescribing these drugs, the doctor is usually acting neither to treat nor to prevent a disease. He is prescribing for socio-economic reasons. This situation demands that the patient be fully informed and

participate in the decision of whether or not she should use an oral contraceptive. The corollary of this, of course, must be that the physician keep abreast of all implications of the use of the pill and, in cases of doubt, refer the patient for another opinion.

The introduction of oral contraceptives has, unfortunately, brought some problems. As early as 1961, the incidence of certain complications associated with the pill were identified. In the ensuing years, extensive studies have been carried out in Canada and abroad to establish the relationship between oral contraceptives and these various effects.

The Minister of National Health and Welfare's (Mr. Munro) concern for the safety of Canadians taking the pill resulted in his appointment of a special advisory committee of leading medical authorities to assess the physical and mental wellbeing of women practicing family planning in this manner.

The report of the special advisory committee was tabled in December in this House. The committee, chaired by Dr. R. A. Kinch, who is obstetrician and gynecologist in chief at the Montreal general hospital and one of Canada's leading authorities in the field, provides answers to such basic questions as, first, what, if any, are the risks of oral contraceptive therapy, short or long term, inducing serious conditions or altered physiological processes. Second, how do these risks compare with similar serious conditions in healthy non-pregnant women of child bearing age. Third, how do these risks from the use of the pill compare with those of the pregnancies which had been thereby prevented. Fourth, how do the risks of the pill compare with other hazards of modern life. Fifth, what practical clinical measures may be taken to reduce risks. Should the Food and Drug Directorate further regulate the sale or distribution of hormonal contraceptives? Sixth, should the Food and Drug Directorate, based on the advice of its consultants, take the responsibility for informing physicians and the general public on all aspects of the use of hormonal contraceptives.

Of the 28 recommendations resulting from the excellent report prepared by the committee, three relate to general matters, and 13 concern pre-market testing, post-marketing surveillance, pharmaceutical advertising, and information to the professions and the public. Twelve recommendations deal with studies in epidemiologic, haematologic and endocrine fields.

While the report stressed that the risk of coronary thrombosis from using oral contraceptives containing 50 micrograms of estrogen is not of sufficient significance to demand special precautions, the special advisory committee pointed out that women using the pill should be reminded of the need for continuing medical supervision and be alerted to signs of potential trouble so that specialist consultation may be obtained where appropriate.

The committee found that the combined type of oral contraceptive is virtually 100 per cent effective in preventing unwanted pregnancy, while effectiveness of the sequential type is slightly lower.

The report reviews in considerable detail the present state of medical knowledge of the mode of action and the short and long term effects of these drugs, and contains a number of valuable recommendations about the direction of future research in this field. It also makes recommendations about providing information on the use of the drugs to the medical profession and to the public and advice to the Food and Drug Directorate about testing the products before they are marketed.

Other major points made by the committee were that there is no evidence so far of any incidence of premalignant change in the uterine cervix directly attributable to birth control pills. No significant increase in the incidence of breast cancer has yet been detected, although for 25 years or more concern has been voiced that the clinical use of estrogen may induce the disease in women. Concern has naturally heightened since the introduction of oral contraceptives. The committee concludes there is no firm evidence to suggest any relationship between genital and breast carcinoma and oral contraceptives.

• (5:30 p.m.)

Much of the committee's discussion and study centred on the real and potential hazards of oral contraceptives. A relationship between thromboembolic disorders and the use of oral contraceptives has been established, with evidence suggesting the level of estrogen in combinations as a possible major factor in determining the risk of thromboembolism. The committee recommended further investigation of the relationship and that, whenever possible, physicians should be advised to prescribe a preparation containing not more than 50 micrograms of ethinyl estradoil or mestranol.

Oral contraceptives present the doctor and patient with a novel and important relationship. Hitherto it has been implicit that the patient accepts the judgment, expertise and experience of her doctor. However, the fact that these potent drugs are now prescribed for predominantly healthy women demands that the patient should be informed and participate in the decision as to whether or not she should use them. If she does decide to use oral contraceptives she should be reminded of the need for continuing medical supervision and be alerted to signs of potential trouble, with appropriate specialist consultation where indicated.

The combined type of oral contraceptives is virtually 100 per cent effective in preventing unwanted pregnancy, 0.1 per 100 women per year, while effectiveness of the "sequential" type is slightly lower, 0.5 per 100 women per year. The progestational potency of these drugs depends on the type and dosage of progestogen employed, as well as on the dosage and anti-progestational effect of the estrogen combined with the progestogen. However, in spite of the individual variations in potency of their components, the efficacy of oral contraceptive preparations marketed in Canada appears to be related to the group in which they belong, that is, combined or sequential.

Oral contraceptives act primarily by suppressing ovulation. The present theory is that the action of the combined preparation is mainly through its progestogen component, abolishing the LH peak by inhibition of the

release mechanism at the hypothalamic level, as well as suppressing the usual feedback stimulus to LH release by estradoil secreted from the developing follicle. The estrogen component may reinforce ovulation suppression, inhibiting follicle ripening by suppression of FSH secretion. The theoretical mechanism of action of the sequential compounds is that the estrogen produces only the second of the above effects. This hormonal checkmate leaves the ovary in a quiescent state and causes reduction in both its activity and size. Other effects of steroidal contraceptives on cervical mucus and sperm activity have been described, but these drugs act mainly on ovulation. Perhaps the most important aspect of the committee's discussion centred on the real and potential hazards of these preparations, recognizing the fact that they are used by a very large number of Canadian women.

A number of studies have established an etiologic relation between thromboembolic disorders and the use of oral contraceptives. Additional evidence now suggests that the level of estrogen in these combinations may be a major factor determining the risk of thromboembolism in patients using them. However, additional time and investigation will be required to resolve completely the question of dose relationship and thromboembolic complications. In spite of possible deficiencies in the existing data, the committee felt that the basic principle in therapeutics embraces the concept that the smallest dose of medication consistent with achievement of the desired effect is, in general, the best treatment. In this instance the lowest dosage of the estrogens—mestranol and ethinyl estradoil—presently available in oral contraceptives compatible with virtually 100 per cent effective contraception is 50 micrograms. Thus, whenever possible physicians should be advised to prescribe a preparation containing not more than 50 micrograms of ethinyl estradoil or mestranol.

With respect to carcinogenesis, it has been shown that estrogens and progestogens are capable of producing or enhancing neoplastic changes in the endometrium cervix, ovary and breast in experimental animals. However, in some instances both estrogen and progestogen appear to be protective against neoplastic change. These results are not directly applicable to the human because of dosage differences, methods and length of administration, differences in species tissue reaction and a large number of other variables.

In the human there is no significant clinical study supporting the proposition that carcinoma in these or other sites is caused by the administration of synthetic estrogens or progestogens. Although a few cases of endometrial carcinoma have been reported after prolonged estrogen therapy in older women, there is no proof that this represents a cause-effect relationship considering the millions who have been treated with estrogens for menopausal symptoms. Progestogens appear to have caused regression of endometrial carcinoma and combined or sequential type oral contraceptives theoretically should not, and in practice have not been shown to cause endometrial malignancy in the human. There is no evidence to date of any increased incidence of premalignant or malignant change in the uterine cervix directly attributable to birth control pills.

With regard to the breast, there are no studies of sufficient duration to embrace the long latent period for cancer production but it is possible that prolonged steroid—estrogen—administration may imply some risk if given in the occult phase of the disease. The possible role of oral contraceptives in mammary carcinogenesis has been discussed and it is recognized that thus far, the first ten years of wide usage has failed to demonstrate a relationship in the human.

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

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I welcome the opportunity to make a few remarks on the issue of family planning and other related factors such as genetic counselling that the hon. member for Vancouver-Kingsway (Mrs. MacInnis) has brought to the attention of the House by asking for the production of papers which are really the results of research work funded by the Department of National Health and Welfare. I commend the hon. member, as others have already done, Mr. Speaker, because this is a problem which is very vital so far as population control and the environment are concerned. Furthermore, the physical and mental suffering from both legal and illegal abortions could be saved if parents and other people would take advantage of what is available now due to the progress in medical science and the health facilities provided by federal and provincial governments.

• (5:40 p.m.)

In the matter of family planning, Mr. Speaker, sound counselling is the fundamental issue. I should like to deal with the matter of the counselling of people who are going to be parents, and especially with the matter of counselling in genetics. Perhaps hon. members of the House are aware that the World Health Organization in Geneva submitted a report not long ago stating that genetic counselling is the most immediate and practical service that can be rendered in medicine, surgery and family planning. The report also said it is probable that in all countries 4 per cent of live births suffer from some genetic condition which could benefit from genetic counselling, either in relation to repercussions on the family or to successful diagnosis and treatment of hereditary diseases.

Medical genetics today has progressed far beyond the pedigree-collecting stage of the past. I can safely say that genetic concepts are directly influencing many aspects of medical practice even today. It is through the use of modern chemical and physical techniques in the study of the living organism that we have been led to the increased understanding of life processes, including those mechanisms by which genes guide, develop and function in the body. The essential function of the gene is to carry information. At the moment of conception the new zygote receives a selection of genes from each parent, which

gives the egg certain information about the way it is to develop and function.

Mr. Gilbert: Mr. Speaker, I wonder if the hon. member would permit a question.

Mr. Haidasz: After I have finished my speech, if the hon. member does not mind.

Mr. Gilbert: The answer to my question would greatly elucidate what the hon. member is saying.

Mr. Haidasz: If the hon. member does not mind, I shall answer questions after I have finished my speech. Through mitosis these genes are reduplicated and appear in each nucleated somatic cell of the body. The reason for this is that in order for genetic information to guide the development of the organism, the information which is carried by the genes must reach to each cell cytoplasm. It is through the desoxyribonucleic acid component of the chromosome that information is transmitted, and it is the particular order at some particular place on the chromosome that determines a particular function in deciding the nature of the cell that it is in. This information must be transmitted from the gene to the cytoplasm. It is thought that this is probably performed through the ribonucleic acid that is synthesized in the nucleus and in some way receives the patterns determined by the desoxyribonucleic acid component.

Mr. Gilbert: That was quite a mouthful.

Mr. Haidasz: The ribonucleic acid migrates to the cytoplasm and imprints corresponding patterns on the enzymes, globulins and other large molecules being synthesized there. This concept of the work of DNA and RNA is similar to that of some process that reproduces a pattern by a cast or template and is referred to as the template hypothesis. At our present state of knowledge, this is the accepted explanation of how the child receives from its parents the blueprint that guides its development and function. The template hypothesis has been confirmed recently by new developments in the study of abnormal human hemoglobins. It has been discovered that sickle-cell disease is caused by a change at a single gene locus and is characterized by a normal hemoglobin. In sickle-cell disease it seems that both normal and sickle cells produce their own type of hemoglobin, and this is what one would expect according to the template hypothesis.

Genes are also known to determine the presence or absence of enzymes, the antigenic specificity of the red blood surface, the nature of the serum globulins and many other biologic properties of the organism. The template hypothesis suggests that with any recessively inherited disease in which there is a known biochemical defect it should be possible to detect the gene in clinically normal carriers by the appropriate tests. Tests of this nature can be used to demonstrate such diseases as galactosemia fibrocytic disease of the pancreas, glycogen-storage disease and an increasing number of other errors of metabolism.

Another interesting development in medical genetics is the demonstration of chromosomal diseases. Recent improvements in the techniques of observing human chromosomes now make it possible to count them accurately and identify them by their length and shape. The presence of an extra chromosome is evidence of Downs' syndrome which results in a mongoloid child. Also, abnormal chromosomal numbers have been demonstrated in Turner's syndrome and in Kleinfelter's syndrome, diseases which affect the sexual physiology of the offspring.

How can medical practioners benefit by and contribute to understanding the advances in medical genetics? First, this can happen through research. The practitioner has the best opportunity to know family groups and there is a great deal which can be learned about the inheritance of disease. For example, observing the occurrence of unusual conditions in several members of the family may provide a clue to identifying new genetic disease. The medical practitioner can also benefit from medical genetics in the early diagnosis and treatment of his patients. Knowing that another member of the family has a particular disease could be a useful clue to determining the patient's condition. Knowing that there is genetic disease in the family can be of invaluable assistance in early diagnosis.

Early recognition is vital in conditions where early treatment may prevent irreversible consequences of disease, especially at childbirth. The siblings of a child with phenylketonurea can be tested in early infancy for biochemical abnormalities associated with the disease. This disease can be treated with a suitable diet. Early identification can prevent irreversible changes occurring in either the brain, glands or the liver, and it is through prophylactic therapy that the defects of some genetically inherited diseases can be ameliorated. For that reason, Mr. Speaker, knowledge of the former history of the disease patterns of a family may be of great value to the physician as well as parents seeking advice concerning family planning.

• (5:50 p.m.)

Much has been said about genetic counselling. I do not intend to dwell deeply on this aspect of genetics. I merely say that parents of a child with a genetically transmitted disease usually want to know the chances if the same condition may occur in the future. The family physician in this case may be the best qualified person to interpret the risk figures to the parents in terms that make sense to them.

Due to the medical advances, especially in the twentieth century, one unavoidable consequence of this progress is that where in the past people with hereditary disease tended to die young or were unlikely to have children, improved methods of treatment are greatly increasing their chances of reproduction. There is little doubt that there will be some increase in inherited disease. It may be necessary to counsel parents to limit the size of their families if they are known to carry genes of a deleterious nature. The decision, of course, whether to limit family size is an individual one which must be

made by the parents concerned and must take into account how they feel about their responsibility to future generations. But to make such a decision parents must be counselled and made aware of their responsibility to their descendants.

I would now briefly like to examine some of the genetic influences on childhood disease. It has been estimated that about 50 per cent of chronic illnesses of children have their origin before the child is born. Conditions such as hair lip, cleft palate, club foot, mental retardation, epilepsy and allergy, to mention but a few, are present at birth. Although the patterns of these diseases have been laid down prenatally, we should not necessarily presume that they are hereditary. The point is that because a condition is present at birth and is congenital, not all congenital conditions are hereditary. By the same token, some hereditary conditions are not congenital, that is, they do not become apparent until much later in life. An example of this is Huntingtons' chorea. Nor should it be forgotten that there are other environmental influences at work prenatally other than purely genetic ones.

The environment of the embryo includes the immediate environment of the uterus, the placenta, membranes, etc. However, it also includes the body processes and health of the mother, including enzymes and hormones, and her illnesses acute and chronic such as rubella, diabetes mellitus. Also it includes the nutrition of the mother. This may be of great importance in situations where severe protein or vitamin deficiencies occur. Finally, there is the induced environment through drugs administered by the doctor during pregnancy, and excessive cigarette smoking, all of which may have a profound effect on the developing embryonic tissues. Also, we should not forget radiation, be it therapeutic or diagnostic, and radioactive fallout if administered in large enough doses.

All these so-called environmental factors complicate or may even make it impossible to determine whether a particular defect has been caused genetically or through environmental influences. Cleft lips and cleft palates are examples of defects that could be produced either through genetic or environmental factors. The genetic counsellor, therefore, must be extremely cautious in predicting the outcome of future pregnancies in a woman who has borne a child with such defects.

It has been determined that congenital malformations account for between 20 and 30 per cent of total neonatal deaths. By studying the genetic make-up of the mothers and children involved, through detailed family histories and through metabolic and environmental investigations, it may be possible to determine how congenital malformations are produced.

A very important field of genetic research is in the study of mental retardation. A great deal of research is being conducted to attempt to investigate the cause of mental retardation however hopeless. The finding of genetic causes could lead to effective steps in prevention and treatment. Epilepsy is another problem of considerable magnitude in children and one variety, the centracephalic type, has been demonstrated to have hereditary tendencies. In the case of epilepsy, the genetic factors are not simple but seem to be dependent upon the interaction of several genes.

Another aspect of the science of genetics and of its value to medicine is in the clarification of the human blood-group systems with its applications to the problems of forensic medicine, transfusion, and hemolytic disease of the newborn. I have already referred to the studies of the hemoglobin molecule and the genetic variations found in sickle-cell and other anaemias. This is a typical example of the application of genetic techniques to clinical research. However, it must be remembered that medical genetics is still in an early stage of development and its most important contributions to clinical medicine will be in the definition of specific disease entities and the provision of reliable data as to familial distributions.

In conclusion, Mr. Speaker, medical genetics and the process of genetic counselling is contributing in great measure to our understanding of the processes of heredity. New interpretations of the relationship of heredity and environment are assisting man in controlling his own evolution. The science of genetics contributes to unifying our concepts of disease and assists in counselling and advising those who have encountered problems which may be of a genetic nature. The science of genetics also enables us to understand more fully the environmental effects in the prenatal stages.

The Acting Speaker (Mr. Richard): Order, please. The doctor's hour, however educational it may be, has expired. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

Mr. Rowland: Mr. Speaker, at five o'clock I was just about to commence dealing with the section of the bill concerning the ministers of state proposition. I find this section of the bill somewhat ominous. I think a careful reading of it is an indication that it means the Prime Minister (Mr. Trudeau) will no longer have to come to Parliament to seek its approval of the reorganization of government departments. Through the device of ministers of state and the powers given to the Prime Minister in connection with the creation of this new office, the Prime Minister will be able to shift about sections of departments at will and Parliament will have

its opportunity to pronounce upon the wisdom of such changes only when they are *fait accompli*. And this is done, the President of the Treasury Board (Mr. Drury) tells us, in the name of increased ministerial accountability to Parliament.

I realize that the Prime Minister, through the governor in council, has always had this power but in recent years it has been somewhat limited by the device of government reorganization bills. I would suggest to hon. members that the section of the bill dealing with ministers of state is a step away from the kind of advance toward parliamentary control of ministers which previous government reorganization bills have represented.

In the minister's explanation of the idea of ministers of state there is a lengthy discussion of the ministerial system and how it has evolved. This portion of his speech was undoubtedly prepared by one of the professors in the Prime Minister's office. Let me say in passing to this anonymous person that if I were still teaching political science at a university and this section of the speech had been prepared as an essay, I would give him a mark of 60 per cent and send it back with the comment that jargon is no substitute for argument—"interface," indeed. The minister's discussion of the development of the ministry glosses over the key development. Any serious observer of parliamentary democracy in Canada, in Britain, in Australia or anywhere it is practised in the modern world, if asked to state the most important development in the system over the past half-century or more would without hesitation reply that there has been a consistent increase in the power of the executive, or cabinet, at the expense of legislatures.

This concentration of power is constantly being intensified. The process has now reached the point at which the cabinet's power in relation to that of the Prime Minister is going into eclipse. All modern commentators on the constitution make reference to this fact. Indeed, they place great emphasis upon it. Humphrey Berkley in his book "The Power of the Prime Minister" puts the case this way:

> Those who think that British constitutional reform is basically about parliamentary procedure are attacking the problem at the circumference; the centre problem is about the power of the Prime Minister. I accept that we are now operating a presidential system: to do otherwise would be unrealistic. Let us concede the Prime Minister has presidential powers and equip ourselves with the necessary safeguards.

True, Mr. Berkley is speaking of the British Prime Minister, and true also he may be indulging in a bit of hyperbole. However, when one looks at the recent developments in Canada, the basing of election campaigns upon the image of a leader, the vast increase in the personal staff of the Prime Minister, the increase in the Prime Minister's power of patronage through the expanded cabinet system of parliamentary assistants, even further expanded in this bill, and the device of regional desks, one recognizes that, although perhaps overstating the case, Mr. Berkley is presenting a very real problem, one with which we shall have to come to grips sooner or later.

The growth of the power of the executive in the past could in no way be characterized as the result of nefarious plots by successive generations of power-hungry men. In the past it could not. It is, in many ways, the natural outgrowth of demands being made upon the modern state and the strengthening of the party system. The rejection of the laissez faire system of government, the almost universal acceptance of the concept of the positive state, the disappearance of Sir John A. MacDonald's "loose fish", and the creation of cohesive, rigid voting blocks in Parliament have all produced this phenomenon of concentration of power in the hands of the executive.

To come back to the bill, surely if one were really concerned about the constantly expanding powers of the ministry and Parliament's decreasing control over it, one would devote one's efforts to strengthening Parliament through its committees and through services provided to private members, rather than to increasing the size of the ministry as this bill provides. In the case of this government, however, there has been a deliberate move toward concentrating power in the hands of the cabinet and the Prime Minister. I earlier described the deliberate steps they have taken and I will not go over them again.

• (8:10 p.m.)

Why is this being done? I suspect it is a function of the personality of the Prime Minister. Like most of us, he fears and mistrusts what he cannot understand. There is no doubt that he possesses a profound lack of sympathy for and virtually no understanding of Parliament. He can only find it in himself to trust the judgment of those who are directly dependent upon him for their positions, hence his increasing tendency to rely almost exclusively for advice upon his vastly expanded office staff.

The Prime Minister is slowly but surely strangling Parliament and discrediting it in the eyes of the public. If it finally dies and becomes a purely honorific part of the Constitution, as has the monarchy, it may have become so thoroughly discredited that few will mourn its passing. But when faced with the monolith with which the Prime Minister is replacing Parliament, many more Canadians than do already—and that number is substantial—will regret the day that the reins of government fell into the hands of an academic who understood neither the country, its people nor its institutions. He will be remembered as an amateur in the art of government who left behind as his monument a few changes to the Criminal Code, a divided country, an embalmed House of Commons, the memory of some titillated teeny-boppers and a few puzzled, well-padded English speaking professors who had fooled themselves into believing that change in a revolutionary social situation could be accomplished without pain.

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, rather than taking up the time of the House with political versions of the art of government, I welcome this opportunity to make some concrete remarks during the second reading stage of Bill C-207, known as Government Organization Act, 1970. The federal government is to be commended for bringing in this bill which, if enacted by the House of Commons, will better equip the government to develop and implement new policies to serve the needs

of the Canadian people. The proposals in this bill will help meet the challenge of many changes brought about in our country by technological progress.

The most urgent challenge facing the government of Canada, indeed all industrialized nations of the world, is the one of survival of the human and animal species in a progressively deteriorating environment. The proposal in Bill C-207 to establish a department of the environment is most desirable and indeed, in my opinion, long overdue. In the past three years when I presented during each session of the House of Commons my bill entitled "To provide for Canada a clean air act" I called for the establishment of a department of environmental quality to fight pollution of air, water, soil and noise. Today I am very happy that the government has resolved to increase its fight against environmental pollution by establishing a special federal department and putting in charge the present Minister of Fisheries and Forestry (Mr. Davis) in whom we have a great deal of confidence. I hope that his colleagues will give him both co-operation and sufficient resources with which to carry out his responsibilities.

Yesterday the future minister of the department of the environment outlined his philosophy with regard to environmental pollution. It was interesting to hear from the minister that he believes we can have economic growth and a healthy environment too. The minister was very frank when he stated that the massive clean-up of our polluted environment will cost both industry and consumers quite a bit of money. But to be fair, Mr. Speaker, I hope the minister will be able to convince his cabinet colleagues, especially the Minister of Finance (Mr. Benson), that they should grant tax incentives both to the public and industry, thereby encouraging all sectors of the Canadian society to take advantage of all the anti-pollution devices which become available and others which may be mandatory. The federal government should also consider the removal of all types of sales taxes from anti-pollution equipment which both industry and citizens would purchase. Furthermore, the government should give consideration to creating low-interest loans to both firms and citizens for the installation of expensive anti-pollution devices.

The minister in his speech also mentioned that we need in 1971 a federal clean air act. We all agree with him. Indeed, this clean air act has been promised in Parliament on several occasions in the past few years. As a former Parliamentary Secretary to the Minister of National Health and Welfare I would like to say that a great deal of work on air pollution and a federal clean air act has been done under the leadership of the Minister of National Health and Welfare (Mr. Munroe), who today also deserves honourable mention. In the continued effective fight to control air pollution, firm leadership will be expected and co-operation between these two departments, other federal departments and, indeed, the provinces will be necessary.

The problem of environmental quality in Canada will still involve several federal departments. May I ask, Mr. Speaker, which minister will have the ultimate task of leadership, initiative and the basic responsibility to oversee all the problems of environmental quality in our country? Will the minister of the department of the environment be able to demand epidemiological studies and other research work to fulfil his responsibilities?

In this and related problems I believe that the act establishing the department of the environment should provide for a national advisory council on the environment in Canada. This council would be independent and would report to the minister. It could really assist him in his grave responsibilities. This advisory council would assess in an objective manner the progress of the federal government's anti-pollution measures and environmental protection programs. It should be an independent agency for the review of government policy in environmental matters.

The environmental advisory council would be composed of scientists, industrialists and members of the public who are concerned with environmental matters. The council would assess environmental pollutants, pollution abatement programs and other threats to the environment on a continuing basis and report regularly both to the government and to the public on the success or failure of abatement programs. Appointments to the council should be made on a decentralized basis. Further, nominations should be invited from such organizations as universities and conservation bodies, as well as industry. Furthermore, the council should be generously funded to be able to carry out research, information services, adequate field work and even hold public hearings across the country.

The information available to us in Bill C-207 includes the enumeration of the duties, powers and functions of the minister. We note especially in clause 5 that the department of the environment will be responsible for renewable and forest resources, fisheries, migratory birds and other non-domestic flora and fauna. This is a very good concept, but I believe it is still incomplete. I ask, Mr. Speaker, why our national parks and the special preserve of our wilderness, which are also the habitat of migratory birds, our flora and our fauna, have not been assigned to the new department of the environment. A comprehensive approach to environmental quality should, therefore, include the national parks. Open space for recreation and for the preservation of our wilderness is an essential element of our environment. In our study of the bill I believe the committee of the whole should give this matter close scrutiny.

• (8:20 p.m.)

Furthermore, clause 5 (e) does not include noise, which is a very important factor in the quality of our environment. The crescendo of noise, no matter what its source, is becoming more and more an environmental problem. Noise can adversely affect not only the health of human beings and domestic animals but also wildlife. It can also adversely affect archeological and geological structures. Therefore, environmental noise is in some way connected with the other pollutants of our environment.

In perusing Bill C-207 we note that both the department of the environment and the Department of Energy, Mines and Resources will have responsibility for meteorological technical surveys. I am wondering wheth-

er this duplication of responsibility is intentional and, if so, why. Perhaps the inclusion of these technical surveys in the field of weather as a responsibility of the two departments is only an error in the drafting of this legislation.

In his speech yesterday the minister quite rightly stated that pollution knows no national or even international boundaries. Indeed, it is a worldwide problem. In dealing with the provinces and national governments, no doubt constitutional and international law problems will arise. When Parliament passed the Arctic waters pollution prevention bill it was criticized in some quarters as being contrary to the principles of international law. Canadians in the majority disagree with that opinion. I believe members of this House also feel that the overwhelming weight of world opinion favours the decision we took when we passed that bill.

However stringent the legislation we pass in Parliament in matters of pollution abatement, the regulation, supervision and enforcement powers must be carried out faithfully. In this matter, tact and diplomacy will be very necessary because we will need provincial and international co-operation. If finding a basis for co-operation between various levels of government is sometimes difficult in our country, it is all the more difficult to achieve among sovereign states. We can expect to encounter difficulties in persuading those nations which are struggling to achieve industralization that they should not repeat the mistakes of the prosperous nations, but should from the start build into the cost of their industrial processes the necessary expense for protection of the environment.

Even among nations which do not have a great disparity of economic development, agreement sometimes is difficult to achieve. The record of co-operation between Canada and the U.S.A. has not always been excellent. This has been our experience even though the International Joint Commission has carried out very good investigations. The U.S.A. seems to be reluctant to make a firm decision concerning the banning of phosphates from detergents, even though independent expert evidence has established that our Great Lakes water system will not be cleaned up unless the U.S.A. makes the decision to ban phosphates from detergents. Clause 5 (g) establishing the department of the environment empowers it to enforce the regulations of the International Joint Commission. I believe the way to achieve real progress in respect of cleaning up our international boundary waters and keeping our air clean is by strengthening the International Joint Commission so that co-operation by the U.S.A. would be ensured.

I am curious to know how the present ad hoc arrangement between the Department of External Affairs and the U.S.A. anti-pollution authorities is making out. No doubt someone will suggest that Canada-U.S.A. co-operation in these matters would involve the surrender of some sovereignty. This, however, would be a great example to the international community. International co-operation is necessary in order to preserve the environment. It must be recognized that the preservation of the environment is in the national interest and indeed is sometimes above national interest. We are proud that Canadians are taking a leading and active interest in the forthcoming United Nations Conference on Human Environment which will take place in Stockholm in 1972. This conference must be successful in marshalling world co-operation and the adoption as soon as possible of programs and standards to launch a world assault on those forces which are challenging our environment.

We also welcome in Bill C-207 provision for the establishment of ministries of state. This will enable the government to give greater status to the minister responsible for federal policies in respect of housing. It is hoped the studies now being carried out by the present minister, along with the powers which shall be given to him by this bill, will be of assistance to him in meeting the challenge of better housing for Canadians and especially in solving the problems of urban sprawl, redevelopment and urban transportation.

This bill will also give the government an opportunity to appoint a minister in charge of federal science policy. There is a great need in Canada for co-ordination of research activities and scientific pursuits in the various federal government departments and agencies. I hope the government will give the earliest possible serious consideration to the establishment of a ministry of science.

It is also my hope that the part of the bill dealing with the Postmaster General will provide that minister with the status and authority he requires in order to improve postal delivery in Canada. I have received many complaints from storekeepers who sell newspapers, and also from subscribers and editors of ethnic weeklies, that the delivery of these newspapers is late and very irregular. I appeal to the Postmaster General to review federal government policy regarding postal rates for ethnic weekly newspapers and church and professional publications. The circulation of these newspapers and publications contributes a great deal to our national life. However, since the increase in postal rates became effective, their circulation has diminished; consequently, their revenues have diminished.

It is true that part of the decrease in circulation has resulted from lost advertising, but the most serious blow was delivered by the federal government's increased postal rates which raised the cost to some publications by a staggering 500 per cent or even 1,000 per cent according to the information available. I know that tomorrow a delegation of the Canadian Ethnic Press Federation will be meeting with the Postmaster General to discuss the postal rates and irregular delivery of their publications. I hope they will receive more than just a sympathetic hearing.

• (8:30 p.m.)

In conclusion, Mr. Speaker, I commend the Prime Minister for the proposals in Bill C-207 which are steps in the right direction to improve services for Canadian taxpayers and indeed for the entire nation. This bill deserves our support as well as our constructive contributions during second reading stage and especially in its study by the committee of the whole House.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I should like to make a few remarks on the bill before the House. As others have pointed out, this one contains proposals applying to about nine topics. Once again we are dealing with an omnibus bill not unlike one we had before. It is not quite the same because it is less erotic and less sadistic, but it is more political and patronizing.

In rising tonight and repeating just about all the others have said, I am wondering whether we will bring the Prime Minister (Mr. Trudeau) to reason and prevent introduction of still more omnibus bills.

This afternoon we heard the very interesting speech of the future parliamentary secretary of the future Department of Environment. At least, he introduced himself as such. His speech was very captivating precisely because it dealt with only one topic, namely our environment.

There is an example of the effect of a bill on a precise subject. I have listened to the hon. member with great interest because he gave precise arguments on a given subject. It would have been a different thing if he had had to deal with all the subjects under this bill.

Still, before referring this bill to the committee of the whole, we are asked to express our views on the general principle of the bill and to vote, if required.

Mr. Speaker, I wonder how we could logically vote on such a bill because we agree with several clauses, particularly with Part I on the environment and others such as the one about the Post Office. On the other hand, we reject other parts that deal with, for instance, the increase in the number of parliamentary secretaries and the appointment of Ministers of State whom I call "ministers of unemployed parliamentarians" because they have no department to head. We also oppose other principles. We must absolutely try to make up our minds about the bill to be able to vote for or against it.

Given a bill such as this, the opposition parties should form a coalition and refuse to refer it to the committee. I cannot reasonably say that I am in favour of the bill now under consideration because it contains too many disparate provisions.

Even you, Mr. Speaker, I think that you have voiced your disagreement when you asked yourself how long will the government continue to introduce such bills as this one entitled: "An Act respecting the organization of the Government of Canada and matters related or incidental thereto."

If we consider the contents of the bill, we find a speech from the throne. Moreover, we note that all members speak as if they were discussing a speech from the throne. In fact, it is more a program than a bill and this is why I liked your statement, as recorded on page 2768 of *Hansard* which reads as follows:

> However where do we stop?

You were then referring to the introduction of omnibus bills.

> Where is the pont of no return? The hon. member for Winnipeg North Centre and I believe the hon. member for Edmonton West, said that we might reach the point where we would have only one bill, a bill at the start of the session for the improvement of the quality of life in Canada which would include every single proposed piece of legislation for the session. That would be an omnibus bill with a capital "O" and a capital "B". But would it be acceptable legislation? There must be a point where we go beyond what is acceptable from a strictly parliamentary standpoint.

Let me tell you, Mr. Speaker, that I am fully in agreement with you, and specially when you said:

> Having said this, I would have to rule—if I must rule—that the government has followed the practice that has been accepted in the past, rightly or wrongly, but that we may have reached the point where we are going too far.

We say about this omnibus bill, as we said about the first omnibus bill, when we were mixing homosexuals with guns and bullets and abortion. Today it is the same confusion and we are asked—whether we like it or not—to accept it as a whole. Even if it is impossible to convince the Prime Minister, I wished to make these comments in order to rally other members of his party to our viewpoint. I will never believe that this group of 150 will be influenced by one man. When we tell them that it is nonsense—you do so yourself even—they still try to convince us that it is logical, and this has gone on for two days. There is no need to be a lawyer or a judge to realize it. I am quite willing to accept the wrapping, but the contents seem hardly digestible, Mr. Speaker, and it is the reason why I make these remarks before expressing my opinion on each clause of the bill.

• (8:40 p.m.)

The first part deals with pollution and the establishment of a Department of the Environment. I am very happy that such a department is being set up but my pleasure is mixed with fear. Indeed the functions and the powers of the Minister of the Environment include all the matters that fall within the jurisdiction of the Parliament of Canada. The laws do not give to some other department, ministry, branch or agency of the government of Canada jurisdiction over fisheries, renewable resources including forest resources, migratory birds and other non-domestic flora and fauna, and water. As for water pollution, it originates in the lakes and streams that flow into the rivers. In this connection, the federal government will cross swords with the provinces, since it always refers us back to the provincial government. I cannot imagine how it can be, since we have been urging all governments to stop the large companies in our areas from pouring their waste into our rivers all year around.

In my region, there was a salmon river which has been polluted by paper mills in the last 30 years. Now, we can only catch third grade fish in it. Whatever warning we give the federal government, as I did when I was the mayor of my town, in order to try and call its attention to that, the answer is: This is the juridisction of the provincial government. I turned to the provincial government without ever obtaining the slightest improvement. The company responsible for pollution kept on making everything dirty with impunity, and, today, we are surprised. Governments had been advised of this. They were aware of it. It seems surprising today that everything should be polluted. Governments have known about this for 35 or 40 years and still, they tolerate this situation.

Why? Is it because large companies have too much influence upon governments? Is it because they supply too much money to campaign funds?

Now, the department will devise cleaning up programs, in order to fight pollution. Again this is going to be paid for by poor workers in the form of taxes. These big companies, which are responsible, are not going to pay, and this is why I wish to warn the minister. They are the real polluters. Indeed I heard someone say a few days ago that those who will pay will necessarily be the taxpayers.

Well, I say no. In these serious instances of pollution, the taxpayers should not pay, but the government should coerce these companies into undoing the damage they have done to our waters.

We are also confronted with pollution caused by the accumulation of garbage in cities. The government should consult with municipalities in dealing with this problem. As a matter of fact I spoke about it this afternoon to the officials of the Department of Regional Economic Expansion to try and attract the attention of the government on the need to pass legislation and regulations to urge municipalities to discharge their sewers elsewhere but not in our waterways, and thus control the present situation.

I am sure that the future minister will arrange meetings with the provincial authorities. In fact, the provincial government will always be involved and it is a touchy operation—especially in the province of Quebec—for federal members to "swing a leg over the fence" as people would say. These will have to be contacts with the provincial authorities and joint programs will have to be developed so that every municipality will feel the obligation to comply with certain regulations designed to cleanse our rivers and streams.

We are told that it is too late, but better too late than never. If we fail to take action within the next decade, in my area, I am convinced that not a single fish will survive. We may have the most beautiful lakes and rivers, but all of them will surely be spoiled due to the nearsightedness of our governments.

The municipal authorities are certainly not able to solve this problem alone and I know the minister is convinced of that. That is why, besides establishing the department, the minister should take care not to imitate other ministers by merely creating committees charged with the responsibility of doing the work for him. He should take direct action and suggest concrete programs to be carried out immediately.

Then, we will be able to say that we really have an active and a progressive department. As far as pollution is concerned, there is no time to lose, I think.

Now, I am turning to the second part dealing with Energy, Mines, Resources and Technical Surveys, which will include hydro-electric power. Here is a problem that is likely to cause many headaches to the federal government when the time comes to make arrangements with the government of Quebec and other provincial governments.

• (8:50 p.m.)

I hope this task will be carried out quickly and, as far as I know, there is no reason why the provincial governments should object to the federal government's proposals for joint action in this field.

As regard Part III, namely the National Research Council, we agree with the clause transferring responsibility for astronomical observatories to the National Research Council. We can only commend the minister for dealing with this matter which, I believe, falls under federal jurisdiction.

With Part IV of the bill, we are really coming to the crunch of the matter. We have been told in Part III that three new ministers of State would be appointed. That will make five. When the Prime Minister is asked about the reasons for this government reorganization, the answer can be found in the January 27 issue of *La Presse*, and I quote:

> The federal government intends to set up new ministerial duties in order to face "emergency matters".

Mr. Speaker, I really wonder about these "emergency matters". The only "emergency matter' that I can see in the creation of these new puppet departments and the appointment of new ministers of State is an attempt to please as many people as possible. I think the appointments could give the Prime Minister quite a headache. Considering the size of his representation, everybody will probably want to have cabinet post. And since there are simply not enough posts available, why not make up a few extra ones. But this is done at the taxpayers' expense. He will appoint five ministers of State who will receive $15,000 in addition to their salary. Moreover, he will appoint 18 parliamentary secretaries with a $4,000 gift to each of them.

An hon. Member: It is not 18.

Mr. Gauthier: I am told it is not 18 but 16. If we figure the expenses that would result from the appointment of five new Ministers of State, 36 or 38 parliamentary secretaries, 18 committee chairmen, one whip, one assistant whip, we may well wonder where this will lead us to. We realize that in the end everybody will be happy, everybody will be rewarded, everybody will have his piece of pie. But in order to please everybody, it will cost one billion dollars more to this country. We forget that. That is why I cannot logically and sincerely approve the provision of this bill providing for the appointment of Ministers of State and parliamentary secretaries.

A bill dealing with this particular subject would be very interesting. I wish I knew the result of a vote on bills of that kind. But what happens? It is hidden inside the cake so that we might be led to swallow it. However, we shall not, even at the risk of being told by our electors, as often happens when we vote against a bill: You voted against the bill on pollution. But nobody will suggest that this bill features other kinds of pollution—salary pollution, gift pollution and political pollution! This is why I can not support it.

This is why we ask the government in future to introduce subjects one by one so that we can discuss each of them thoroughly. At the present time, everything is camouflaged and the vote will prove unfair to us.

The Minister of National Defence (Mr. Macdonald) said this afternoon: You will vote in committee. What is a vote in committee worth? This is a joke. Nonetheless, the public wants to know whether elected members have voted for or against a clause to which they were opposed. With a bill like this, there is no way of knowing.

This being the case, we request that when such important matters as expenses exceeding one billion dollars are involved, they be divided into parts. Since the government rejects the idea, we shall oppose the bill.

As for part VII concerning the public service superannuation I am all for it. I am glad for the civil servants because they will be entitled to a pension at 60. They will even have the right, if they stop working before 60, to keep on contributing to get a full pension. I would like it if these provisions could also apply to old people: this would be interesting. For the last two or three years it has been requested that their penson be paid at 60. The pensioners agree. Unfortunately they have to wait until 65 to get their pension cheque while the civil servants who, incidentally, have had salaries of $12,000, $15,000, $18,000, $20,000 or $24,000 per year will get their pension at 60. That is not so bad. I am glad for them. I am not against it but I wish old people could get their pension at 60 and that their spouse could get it too, whatever his or her age. This would be justice. There is discrimination against part of our society. All our citizens should be granted the same treatment if the so-called just society is to be achieved. Legislation should be extended to our senior citizens and then the Canadians will be satisfied.

Mr. Speaker, my time is running out.

One might wonder how I would vote on this bill. After all I said, Mr. Speaker, one will realize I am on the horns of a tremendous dilemma. This is why even though I support without reservation certain parts of the bill, some other parts keep me from approving it in its entirety. Therefore, Mr. Speaker, I will cast my vote against this bill.

[*English*]

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, in participating in the debate on this bill which does a number of things may I first commend the government for tackling the very serious problems relating to the environment. Responsibility for these matters has up to this time been scattered among numerous departments. That responsibility in the main will now be concentrated under one minister and one department which is to be known as the department of the environment. I wish the new minister who will assume these substantial responsibilities the very best fortune in his efforts to deal with many of the serious problems that face this nation in so far as pollution is concerned.

• (9:00 p.m.)

I shall place on record some facts about a very serious situation that exists in my constituency in the province of Nova Scotia. I wish to make all hon. members fully aware of this situation which is probably unique in Canada. It is the type of uniqueness that the residents of the coal mining town of Springhill would like to have eliminated as soon as possible. That town is faced with a critical pollution problem that endangers the health of its 7,500 residents. I would describe the situation as nothing less than a national disgrace which has been allowed to go on and on. I think it would be of value to the minister and hon. members to have some background information regarding this situation.

Springhill was a mining town. It suffered two calamitous disasters in 1956 and 1958 which took the lives of many miners. The only two employers in that community were eliminated. For some time the people of that community had grave doubts about the future. I am sure this was the case with people all across this country, because Canadians everywhere rallied behind the brave people of Springhill. People all across Canada, including the provincial government of Nova Scotia, assisted the people of that community in many ways. As a result, Springhill has developed a very good industrial base. The federal government can take the credit; it established a very substantial minimum security penal institution which provides a good deal of employment for the people of the community.

Because Springhill had been a coal mining community for a long time, a very large mine-dump developed. The waste products from the mining operations were deposited in the dump. To give some idea of the extent of this mine-dump, I would say that it covers between 45 and 50 acres of land in the midst of the community. About 1960 a fire started in this huge mine-dump. At that time it was not very serious. Although some efforts were made to put out the fire, it continued to burn. The burning became more and more extensive. Today it covers almost all the 45 to 50 acres of land. The fire continued because the dump contained a great deal of coal. I understand that between 10 per cent and 15 per cent of the mine-dump is coal. The fire penetrated deeper and deeper into the mine-dump. I am told that at the present time the fire is burning at a depth of between 40 and 60 feet. The fumes from the fire have started to rise and on a windy day, especially on a humid day, the fumes cover the whole of the town.

We hear a great deal about the bad effects of smog in the cities of Los Angeles and New York. More recently we have heard it associated with the cities of Montreal and Toronto. Unless one visits the town of Springhill on a windy or humid day you do not realize how dense are these fumes or how hazardous they are to the health of those who live in the community. It might well have caused the death of some residents of Springhill. I have no doubt that it has stopped industries locating there. If an individual who is considering locating a plant visited Springhill on a day when the smog is in existence, he would have second, third and maybe fourth thoughts about locating there and asking his employees to suffer what could be a very hazardous health problem.

For the past five years the people of Springhill have been trying to have this mine-dump fire extinguished.

They have been trying in every way. I do not say that governments have ignored the problem completely. The provincial department of mines has made some studies of the situation. The federal Department of National Health and Welfare and the Department of Energy, Mines and Resources have also conducted studies. Since April 22, 1970, officials of the Department of Energy, Mines and Resources have been preparing a report based on a study they have been conducting as to how this mine-dump fire may best be extinguished. While some efforts have been made, they have not been substantial. They have not been the kind of efforts that would be made if this fire were located in the centre of the city of Ottawa and the people of this city were breathing the fumes from that mine-dump fire, thereby endangering their health. Because this is happening in a small town in Nova Scotia, the people have to suffer on and on. A person with an asthmatic or bronchial condition is put in a very serious situation, one that I suggest should make him leave the community because of possible danger to his life. Hence, I should like to see prompt action taken to put out the fire. Some of the studies which have been carried out indicate that a substantial amount of money is involved in putting out the fire. I think it makes no difference how much is involved; no one in Canada should be asked to live in a community so badly polluted that they might be risking their lives by remaining there.

• (9:10 p.m.)

I have recounted the situation today and hope that when the new department is created—or before it is created, if action can be taken soon enough—steps will be taken to extinguish this fire in the shortest possible time. Having an appreciation of the kind of people living in the community of Springhill, and recognizing the way they have fought back with courage and determination, after two mine calamities, from the brink of complete disaster, I am sure the taxpayers of this nation would gladly see money spent to extinguish the continuing blaze that is such a blight on this great and wonderful town.

It is my hope that the new minister of the environment will take quick action to see that a report that was supposed to have been completed in September of 1970 is released. The Minister of Energy, Mines and Resources (Mr. Greene) informs me that the report is not yet complete and that it will not be made public when it is complete. Perhaps the information contained in that report is so shocking, not just to the people who live in the community of Springhill but to the people of the whole nation, that it is better so far as the government is concerned that it be kept secret. But I believe it is in the interests of the people of that community to make the report public as soon as possible and that immediate action be taken thereon.

We all became very concerned about the effect on the environment of the *Arrow* disaster in Chedabucto Bay, as well as the effect it had on wildlife. I am just as concerned about human life in the town of Springhill, the residents of which have been facing this terrible pollutant day in and day out, 365 days of the year, for the last decade. The government spent $4 million to clean up the *Arrow* pollution and it had better spend $1 million, or whatever is the cost, to extinguish this mine-dump fire as quickly as it can.

I should now like to pass to another subject which will also interest the new minister of the environment, and that is Fundy power. I am indeed pleased to see the President of the Privy Council (Mr. MacEachen) in the House this evening, for as Nova Scotia's representative in the cabinet he was of material assistance in having a study carried out by the federal government and the governments of the provinces of Nova Scotia and New Brunswick. This study revealed that Fundy tidal power was a feasible scheme from an engineering point of view, though it expressed some doubt as to the financial feasibility of the scheme.

Since this programming board's report has been brought down, new information has come to light. An international conference was held in Halifax in the spring of 1970 on the utilization of tidal power. It was chaired by Dr. Thomas J. Gray of Nova Scotia Technical College and produced much valuable information on the feasibility of harnessing the Bay of Fundy tides, as well as a new insight into how tidal power could best be harnessed to produce thermal power 24 hours a day at an economic rate. In addition, there was information about the marketing potential of Fundy power. There is no doubt that Fundy power could be sold just as quickly as it is produced. The question appears to be one of dollars and cents. The man who will be the first minister of the environment has said that cost is not as important as pollution-free projects wherever they may be and in whatever sector of the economy they fall. Fundy power would be completely pollution-free; no pollution of any kind is associated with tidal power.

Only recently the United Nations indicated that tidal power was a vital future source of energy in the world because of its pollution-free aspect. Surely Canada should be the first to seize upon the opportunity of producing pollution-free power in gigantic amounts which would be available to the whole of Canada as well as to the United States, especially the eastern seaboard of that country. What is more important, Mr. Speaker, is that the federal government, through the Minister of Energy, Mines and Resources, has indicated a willingess to re-examine the programming board's report to determine whether this project, in light of new technical evidence particularly as to how power can best be utilized from the tides, is feasible. He has said the government is willing to go ahead with this re-examination if requested to do so by the other two partners who initially assisted in a financial way toward the production of this report.

• (9:20 p.m.)

The Premier of the province of New Brunswick has indicated his support for a re-examination of this project. The Premier of Nova Scotia, for reasons best known to himself, has said he will not request a re-examination of the report produced by the programming board or the new material that is available. I do not understand why the Premier of Nova Scotia takes this position, because that province would be the beneficiary in many ways and it is impossible to imagine what such a project might to

for the revitalization of the whole of the Atlantic area. A simple example is that between 7,000 and 10,000 jobs would be created almost immediately on the construction of dams to harness the tides. Such a transfusion of employment would transform Nova Scotia from a "have-not" to a "have" province. It would probably do the same for the whole Atlantic area. I am sure this is one of the basic reasons the Premier of New Brunswick is anxious to have the report re-examined. In any event, the Premier of Nova Scotia says he does not wish it re-examined.

The taxpayers of this country have an investment of $2,250,000 in the original report. I suggest it would cost far less to conduct a re-examination to bring the report up to date, so that Canadians might know whether the Fundy project is feasible, than it cost to bring about the original report. In view of the fact that the President of the Privy Council has a personal and friendly relationship with the Premier of Nova Scotia, I hope he will urge the Premier to take action to bring about a re-examination in order that we might in the near future look forward to a project to harness Fundy tidal power. In this way the people in the Maritime provinces would not have to wait forever and forever for such a project.

There is one other point I should like to raise. The power-hungry states along the eastern seaboard must soon decide where they will get power over and above that made available from Churchill Falls. The decision cannot be delayed, because this area of the United States is already facing black-out and grey-out periods. This places the utility companies in a precarious position. Even during the winter months these seaboard states are having to close factories and shut down offices because of power shortages. There can be no action in this regard until the Premier of Nova Scotia requests that the report be re-examined. Surely to goodness the Premier should explain to the people of Nova Scotia and the people of Canada why such an examination should not be carried out immediately. In other words, all Canadians should be made aware of the facts that exist today regarding the development of Bay of Fundy tidal power.

I now turn to the government reorganization proposals contained in this bill. At the present time we have 29 cabinet ministers, two without portfolios. When this legislation passes there will be four additional portfolios, which means we will have 31 departments of government. This is three times the number of portfolios held in the United States. That fact does not particularly concern me, and I might point out that the new Premier of Nova Scotia has cut down the number of cabinet posts. What concerns me as much as the idea of 31 ministers sitting around a table trying to decide something is that for some time there has been developing a stratification within the government of which the public has not been aware. If the government intends to set up an elite oligarchy, they should tell the people about it. If there are to be senior and junior ministers, let the government say so. We appear to be getting the proliferation of appointments of people in the Liberal party to an elite oligarchy charged with the responsibility of running this country in the way it desires.

Some hon. Members: Shame!

Mr. Coates: This government has been running the country "well," Mr. Speaker.

An hon. Member: Right into the ground.

Mr. Coates: Today we have the most unemployment in the country since the days which we call the dirty thirties. We have approximately 750,000 persons unemployed. The statistics for December indicate something like 535,000. Surely there must have been an increase of 100,000 in January, and probably another 100,000 who became tired of reporting to Manpower offices, were not qualified for unemployment insurance benefits and went on welfare and forgot about working for the next three or four months.

• (9:30 p.m.)

Mr. Speaker, perhaps the department of the environment will create new employment. The establishment of more portfolios and more Parliamentary Secretaries will provide a few more dollars for a few more Members of Parliament, and nothing else. For some time I have followed the tremendous build-up in the super bureaucracy which this government has taken great pride in developing. It now sits as a further stratified layer between the cabinet and the Public Service of Canada. The only thing I can say about the 80-odd people in the Prime Minister's office who secure in excess of $800,000 annually from the taxpayers is that they give damn poor advice. It is their advice the government has been following, and it has put this country in the throes of one of our worst depressions in this century.

We are getting a lot of flak from the back benches of the Liberal party. Whether or not the backbenchers realize it, they do not count because the Prime Minister (Mr. Trudeau) has regional desks to advise him. Perhaps if the Prime Minister took their advice we would not be in the throes of a depression, but he does not pay any attention to them now.

An hon. Member: And we don't pay any attention to you.

Mr. Coates: It is too bad you do not pay any attention to me, because if you did you would realize you are nobodies. The Prime Minister said so in the House and he has indicated in his every action that you are nobodies. Mr. Speaker, it is good to hear the flak from these boys now, because I'll bet that when they go home they will receive a lot of it; more and more flak will be coming their way in the days ahead. They should stop and think, because if they do not know it already, if the Prime Minister has not told them—and if he has not told them, they do not know it—there is one thing as certain as life itself, and that is that unemployed people mark their X's and a devil of a lot of X's will be marked against this government when these people have an opportunity to vote.

If government backbenchers would like some non-partisan advice about the state of the economy at the present time, I have before me Richardson Securities of Canada Investment Securities Review for 1970. There is a Richardson in this House; I do not know whether he has

any association with this organization. This review reads in part as follows:

> The present recessionary state of the domestic Canadian economy primarily reflects a cut-back in consumer durable and housing expenditures.

It is a recessionary state, according to the investment dealers. Well, Mr. Speaker, it is a recessionary state not only to the investment dealers; it is a recessionary state for at least three-quarters of a million Canadians. They know this because they are on unemployment insurance or welfare at the present time. This government ignored the warning provided not only in this House but by every segment of the economy that we were plunging into a recession. They went under the guise that inflation was the problem which had to be corrected. In December, when he saw the unemployment figures the Prime Minister announced that inflation was beaten, that it was no longer a problem and that unemployment was now the problem. They created it.

Mr. Nesbitt: It took courage to create it, too.

Mr. Coates: They created it, and what are they doing about it?

An hon. Member: Nothing.

Mr. Coates: Don't say "nothing", because they are producing a $2 million fund to give employment to 250 graduates from the province of Quebec. That is the way they will solve the problem. It was good to see the President of the Treasury Board (Mr. Drury) on television when he was shown the memorandum. Apparently he is not a member of the elite oligarchy because they did not tell him about it.

An hon. Member: Didn't they tell him about it?

Mr. Coates: No, they did not tell him about it. Probably the Minister of Regional Economic Expansion (Mr. Marchand) or the Secretary of State (Mr. Pelletier)—it could not have been the Prime Minister because he was out of the country, but perhaps it was his two right-hand men or the right and the left of him—forgot to tell the President of the Treasury Board, so the poor unfortunate soul had to appear on television and say, "I do not think any such memorandum exists" and then watch a reporter produce it to him. Then we watched him sweat; we could see the beads of sweat dropping off him.

An hon. Member: He is sweating right now.

An hon. Member: What about the horses?

An hon. Member: What about the bananas?

Mr. Coates: I heard somebody say something about bananas. They are for the Prime Minister's orangutan. He goes away, and when he cannot find girls he finds an orangutan to kiss. Mr. Speaker, we have a "big deal" for the Canadian taxpayer. The government are going to take $2 million from Canadian taxpayers to help unemployed graduates; but they will only help graduates who come from the province of Quebec. Maybe they will help French-speaking graduates from some other province—maybe!

Mr. Paproski: What about the Ukraphones?

Mr. Coates: There are Anglophones and Francophones and Ukraphones but there are not Canadians any more, according to this government. This government went across the country preaching "one Canada." Well, it is a special kind of "one Canada." It is getting to be one Canada if you are from the province of Quebec and a completely different Canada if you come from anywhere else.

Some hon. Members: Hear, hear!

Mr. Coates: One Canada for those who speak the French language but a completely different Canada for those who speak any other language. That is the "one Canada" we have today, with the fund which is being made available by this government to create employment for 250 French-speaking graduates from the province of Quebec. If you speak English, no show: you are not involved; you just are not part of it; you are not in the "in" group.

• (9:40 p.m.)

Mr. Paproski: You are not even in the cabinet.

Mr. Coates: Who cares if you are not in the cabinet? If you are not Trudeau, Pelletier or Marchand it does not make any difference whether or not you are in the cabinet. The President of the Treasury Board discovered that. They do not tell the rest of the cabinet what is going on. Even the Acting Prime Minister (Mr. Sharp) does not know.

I imagine there are a lot of secret memorandums at the bottom of which you see the little N.B. which says "This program is to be put into effect without any public information being provided about it". It is a different ball of wax. We have an example of just what can happen when a small, elite oligarchy takes over the government of a country. With the government's proliferation of super bureaucrats, the people of Canada are discovering the information to be bad, the policies to be bad and the end result to be misery, misery, misery.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, we have just listened to an excellent speech by the hon. member for Cumberland-Colchester North (Mr. Coates). It had its serious moments as well as some lighter moments, as speeches in the best parliamentary tradition should have. But upon reflection even the President of the Treasury Board (Mr. Drury) would agree that the speech the hon. member has just completed, practically all of which fell within all-fours of the ambit of the bill, demonstrates very well the futility of the exercise upon which the government is asking us to embark. So far as I am concerned, this bill makes a farce of parliamentary democracy and is a waste of parliamentary time.

The President of the Treasury Board made an attempt in his initial remarks to indicate what he thought was the principle of the bill. I and some of my colleagues are

perfectly prepared to attempt to debate the bill on the principle which the President of the Treasury Board enunciated on behalf of the Prime Minister (Mr. Trudeau). The President of the Treasury Board said that the bill, if enacted, will better equip the government to develop and implement new policies to serve Canadians in a variety of ways, among them the fight against pollution.

He went on to outline his concept of the need for greater flexibility and manoeuvrability within the operations of the federal government. But he also made what to me is a most astounding observation, namely, that the bill would increase the accountability of the executive to Parliament. I find that a very strange statement from the President of the Treasury Board. I find it to be very strange reasoning. I attempted to look carefully through the bill's various aspects and phases, with its references to various changes to various pieces of legislation, and I fail to understand how it does anything but the opposite of increasing the accountability of the executive to Parliament. At the very least, it does not change the situation from the one we now have.

The Minister of Fisheries and Forestry (Mr. Davis), in his speech which he termed wide-ranging—to which I may refer later—again illustrated very well the futility of this exercise, because he delivered what my colleague, the hon. member for Selkirk (Mr. Rowland), called a motherhood-type speech. It would have been a very good speech, made in the right place at the right time. To those of us who have been following some of the speeches the Minister of Fisheries and Forestry has made in various parts of the country, and in particular in the coastal areas of B.C., much of it had a familiar ring. In other words, in a debate which, according to the title of the bill, concerns itself with government organization, the minister made a speech which might very well be right and proper on a public platform seeking to arouse the Canadian public to the dangers of pollution, but it had nothing to do with giving the House an inkling of how he understands the responsibility which he has been asked to assume as the minister of a new and enlarged department.

So I think that if the debate is to have any meaning at all, it has to revert to the question of whether or not it is desirable for the House to have this kind of bill thrust before it at almost every session. In some remarks that I drafted earlier today, which I was sending to my constituents, I described the situation in these terms. I raised the question: Is Prime Minister Pierre Elliott Trudeau merely a technocrat intent on shuffling round the building blocks of the various structures within the organization of the government of Canada like some child learning his ABCs from a new Christmas gift, or is he a master strategist moving purposefully toward a new era of effective government, attuned to the needs of the latter part of the twentieth century?

This, I suggested, is the substance of the debate which is rapidly gathering momentum in Parliament. Then I went on to say, as did the President of the Treasury Board in his speech, that pretty well every year since 1966 we have been presented with these bills having to do with government organization—omnibus types of bills. Perhaps in 1966 those of us who were around did not really sense that this was the beginning of a large cloud which was looming low on the horizon. Perhaps we were not aware what was really happening, of the trend and direction in which the government was moving in connection with proposals to change the operations of the federal government.

The fact is that one of the side-results of this form of legislation is that year by year it is becoming more and more difficult to keep track of the legislation we have, because many important aspects of legislation are being buried inside these mammoth government bills, which do not only deal with the restructuring of federal government departments, as other speakers have said. So I think it is time some of the facts of our current situation were brought forward in this debate.

• (9:50 p.m.)

What is the present situation with respect to the authority of the government to move in restructuring or streamlining the activities of the federal government, and why do I suggest this situation is making a farce of parliamentary democracy and parliamentary debate? Let us consider the question of the proposed new department of the environment. I ask you, Mr. Speaker, what is the point in our sitting here tonight debating the feasibility or otherwise of the establishment of a department of the environment when we are already faced with a *fait accompli* in everything but name? It makes me think of that old and well-worn saying that a rose by any other name would smell as sweet.

What added powers and responsibilities is the Minister of Fisheries and Forestry getting under this bill just because it is proposed to change the name of that department? I submit that there are absolutely none. I have gone over the Order in Council that was passed on November 26, 1970, P. C. 1970-2047, and I have looked at the powers and duties that were then added to the responsibilities of the Minister of Fisheries and Forestry under the authority of the Public Service Rearrangement and Transfer of Duties Act. As far as I have been able to check, there is not one item or aspect of this bill that is not already covered by that Order in Council so far as the responsibilities and duties of the minister are concerned.

Some of us, of course, recognize that the responsibilities of the President of the Treasury Board lie in the allocation of funds and that he is just acting on behalf of the Prime Minister in this debate. But when introducing this measure, when he referred to the new department of the environment he gave no indication that the minister would have any further back-up or muscle to do anything about improving our environment. So really all we are indulging in is an exercise of rubber-stamping something the government has already done. Even if we were to defeat this bill, the authority the government has already exercised under the Public Service Rearrangement and Transfer of Duties Act would not be affected in any way. So, Mr. Speaker, we come back to the question: Is this bill just a matter of technocratic juggling?

A department of the environment is something many of us would like to see and would support. But, Mr. Speaker, I have some reservations about putting these kinds of responsibilities in the hands of the Minister of Fisheries and Forestry because I represent an area of Canada where the commercial fisheries are very important. Other hon. members who participated in this debate have said this is true of their areas also. There is the latent fear in the minds of many of us that the minister will become so interested in making airy-fairy kinds of speeches about the environment and about underwater marine parks in the Strait of Georgia that he will no longer accept as a major responsibility the enhancement and development of the commercial fisheries of Canada.

In his speech, the Minister of Fisheries and Forestry mentioned some of the things that had been transferred, but he did not give us any reason why responsibility for the national parks was not being placed in his new department, when general control over renewable resources is included. In other words, why should the Wildlife Service go into the hands of the minister of the environment who is concerned with renewable resources, and the national parks system of Canada, which many of us regard as part of the keystone to maintaining our natural environment for the enjoyment of future generations, be left outside the ambit of the responsibilities of this minister? We cannot really debate that question because the government has said: We have already set up this department in all but name.

I noticed that this transfer of powers is the kind of continuing process to which the President of the Treasury Board referred. To give some perspective to what has happened, I look at the introduction to the first—and I am not sure whether it will be the last—annual report of the Department of Fisheries and Forestry. This is how it reads in the introduction:

> A major change in departmental organization occurred early in the fiscal year resulting from an Order in Council dated July 12, 1968, under which the forestry branch, together with certain advisory, administrative, and technical support elements from the Department of Forestry and Rural Development, were combined with the Department of Fisheries.
>
> Co-incident with the announcement of this re-organization was the appointment of the Hon. Jack Davis, Member of Parliament for Capilano, B.C., as the minister responsible for fisheries and forestry.
>
> Following the establishment of task forces to study the restructuring of the department as a result of the fisheries-forestry merger, the new Department of Fisheries and Forestry officially came into being on March 28, 1969, with the enactment of the Government Organization Act, 1969.

Now we are sort of undoing that exercise and starting on a new exercise, and I suppose new task forces will spend their time reshuffling the various elements of this new department. This may be an interesting and perhaps even necessary technical exercise, but it does not give Parliament the opportunity to assess what the government really has in mind in relation to a department of the environment, the controlling of the environment against pollution and its preservation for future generations of Canadians. In other words, all we have is a reshuffling of the machinery, which we are being asked to rubber-stamp. We have had no real indication from the minister who introduced the bill, from the Prime Minister, from the Minister of Fisheries and Forestry, or from anybody else over there, as to the direction in which future policies should move and how much money will be put into the pot to back up those policies.

May I call it ten o'clock, Mr. Speaker?

* * *

BUSINESS OF THE HOUSE

Mr. MacLean: Before we proceed with the adjournment debate, Mr. Speaker, perhaps the House leader would indicate what he proposes to place before the House tomorrow and at the beginning of next week, and for as far into next week as he can tell us.

Mr. MacEachen: Mr. Speaker, if I may deal with tomorrow first, I would like to call the bill that has been under discussion today. I suggest that if tomorrow at any point we reach the stage that no further members wish to speak on second reading, and if at that point there is a desire for a recorded vote, we would agree to put off the vote until Monday. It may be that there will be no wish to have a recorded vote, but if there is we would have it on Monday. If, following that point, there were time available before four o'clock we would complete the day by dealing with other items such as the omnibus loans bill, the Canada-Jamaica tax agreement and, finally, the New Zealand-Canada trade agreement.

• (10:00 p.m.)

On Monday I would call the government organization bill, continuing it from whatever stage it had reached and, hopefully, completing it. Then I would call the Canada Development Corporation bill and the bail reform bill. Any of the items that I have mentioned for tomorrow left uncompleted would follow that bill.

Mr. MacLean: Mr. Speaker, may I ask a question to clarify one small point? I presume that if the second reading debate were to end tomorrow, the three items that were mentioned would be proceeded with in the order in which they were mentioned, with the loans bill coming first.

Mr. MacEachen: Yes, Mr. Speaker, that would be the order of calling the bills. After the hon. member for Winnipeg North Centre has expressed his views on the matter, I wonder whether the House will accept my suggestion with respect to the recorded division and, if so, whether that agreement might be put into the form of an order of the House.

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Speaker, we would agree to such an order. I do not know what the minister would say if we were to suggest that nine votes ought to be taken instead of one. That, however, is another matter. We will agree to that order. While I am on my feet, may I ask if the minister intends, once we have dealt with the second reading of the bill and brought it into committee of the whole, to continue

the debate on the bill until it is completed, or does he plan any interruption for any purpose?

Mr. MacEachen: Mr. Speaker, we hope to continue with it until it is completed. We should only consider interrupting the debate on that bill if the House were to become so weary of it as to make no progress.

Mr. Knowles (Winnipeg North Centre): Then would the minister interrupt it for Easter?

Mr. Deputy Speaker: Order, please. I gather that the agreement of the House Leaders is that if a vote should be required in connection with the second reading of Bill C-207 tomorrow, it will be deferred until Monday. Is there unanimous agreement?

Some hon. Members: Agreed.

Mr. MacEachen: Mr. Speaker, we would call the vote just as Orders of the Day are called, after oral questions, if that is agreeable.

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

TRADE—STEPS TO LIMIT IMPORTS OF AUSTRALIAN AND NEW ZEALAND BEEF

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I am bringing before the House tonight the matter of imports of beef from New Zealand and Australia because I have not been able to obtain from the government and the minister responsible what I consider a satisfactory answer about where we are going in regard to beef imports. The matter was first brought to the attention of the House when the Minister of Industry, Trade and Commerce (Mr. Pepin) early in 1969 returned from a tour of Asia and announced that we could expect increased imports of beef from New Zealand. He said that these imports were mainly derived from the slaughter of canner and cutter cows and that we did not have enough of such cows. By June, 1970, it was obvious that these imports were creating a real problem in Canada. So much beef was being brought into Canada and re-exported to the United States that the United States complained.

On June 25 I urged the Minister of Agriculture (Mr. Olson), as recorded in *Hansard*, to report to the House before the recess what action the government would take and what policy it would follow on this matter. No satisfactory answer was received. On December 1, 1970, I again asked if steps would be taken to limit the amount of beef imported into Canada from Australia and New Zealand to levels that would not pose a threat to our own

market. The minister replied, as recorded at page 1628 of *Hansard*, as follows:

> This concerns a matter we negotiated with Australia and New Zealand during midsummer when it presented a serious problem. We hope that the kind of negotiations which led to a solution of the difficulty then will be conducted in the future.

In December or January I again asked the question and received no satisfactory answer. In either June or July of last year the United States put a complete ban on the re-export of these products coming into Canada from New Zealand; they were blocked off. The full flow of products then on the high seas was unloaded in Canada. The "Canadian Cattleman", a journal issued by the cattleman's association, expressed very grave concern. It pointed out that we were reaching the point where 10 per cent of the beef we consumed was imported from Australia and New Zealand. In the period January to September, 1970, Canada imported 62 million pounds of beef from New Zealand and 43 million pounds from Australia. This is the nature of the problem.

At a recent meeting of the Standing Committee on Finance, Trade and Economic Affairs, we discussed the new provisions in trade with regard to these imports. When I asked the witnesses who appeared before the committee whether we could negotiate quotas with New Zealand under the agreement, the answer was yes. To my knowledge, no attempt has been made to take this kind of action. Our market is wide open. We have quotas on butter because it is necessary to protect the dairy industry. However, our beef markets are open to everyone. We tell other countries to come and help themselves.

The North Battleford *News Optimist*, which is published in the centre of the cattle-raising area in Saskatchewan, states that United States officials have stated this embargo on imports of New Zealand beef to the United States will continue throughout the current year. Are we to assume that our market will be left wide open? The New Zealanders are exporting their problems with regard to dairy products and beef to this country. The minister responsible for the Canadian Wheat Board stated that Canadian farmers would put an additional three million acres into forage for beef production. When speaking to the Canadian Confederation of Agriculture on January 27, the Minister of Agriculture stated as follows:

> Our livestock industry is responding to new challenges. The beef industry has invested millions in new feedlots from coast to coast, we are increasing our national herd, we are adopting new processing and merchandising techniques—

Hon. members opposite are not rising to meet the challenge. The minister is responsible.

Mr. Deputy Speaker: Order, please.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member for Saskatoon-Biggar (Mr. Gleave) has raised a problem which existed in Canada last summer. It is quite true that at that time large quantities of Australian and New Zealand beef were being imported into Canada and transshipped to the United States. The situa-

tion arose because the Americans had put a prohibition on imports of beef from those countries. Canada was in the position of being exempt from those prohibitions.

As a result of the distress we were causing the American market by allowing this beef to come through Canada, and the threat that our free entry into the American market could be prohibited if we did not do something about it, we made representations to New Zealand and Australia. We obtained agreement from them that they would not ship beef into Canada during the period in which it would cause distress. At the time this agreement was reached there were shipments on the high seas on their way to Canada, and it took some time to clear these shipments out of the Canadian market. The agreement that we made with those countries at the time was that they would suspend shipments until such time as all this beef was cleared out of the Canadian market. Since then we have not had this problem.

• (10:10 p.m.)

It is true that the New Zealanders and Australians generally ship low-grade, or manufacturing beef to Canada, the sort which goes into wieners and manufactured goods of that kind. We anticipate that if the problem should arise again we would have no difficulty in taking the same kind of action and obtaining the same kind of agreement from the New Zealanders and Australians that we obtained previously. If that occasion arises we will have no hesitation in asking them to take the same action.

The hon. member suggests that we should put artificial embargoes on the importation of beef from other countries.

Mr. Gleave: Not artificial, real ones.

Mr. Howard (Okanagan Boundary): Real embargoes. This is a temptation. I think that all producers in Canada would like to have free access to every market in the world and prohibit imports to this country. May I remind the hon. member that every time we put up a barrier against somebody else's goods there is a temptation for them to put up a barrier against ours. We are fighting a trade war with other countries—

Mr. Deputy Speaker: Order, please.

GOVERNMENT PROPERTY—VANCOUVER—SUGGESTED REFUSAL OF LEASE TO FOUR SEASONS HOTEL

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, the matter I raise tonight is of vital concern not only to the citizens of Vancouver but to all Canadians. Stanley Park is an incomparable asset, one thousand acres of beauty and recreation, owned and open to the public of this country and invaluable as a tourist attraction. At this moment its future is in jeopardy.

Over the years the Vancouver city council has spurned the only over-all plan the city ever had and has released more and more nearby waterfront areas to private land speculators and developers. One of these, Harbour Park Developments Limited, made 200 per cent speculative profit on these holdings between 1965 and 1969. Now the city council is on the verge of allowing a $40 million hotel, apartment and specialty store complex to be built on the 14-acre waterfront lot at the entrance to Stanley Park. Instead of open park space and a magnificent view of mountains and harbour, we are going to get a concrete jungle within 24 feet of the park, an impossible traffic situation in an already congested artery and a betrayal of public trust on a grand scale.

This is the time for plain talk, and I wish the minister were here tonight to deal with the question. This cluttered, greedy plan is a steal, and a steal possible only under the cloak of secrecy and evasion. The only public authority prepared to fight for the public and to save Stanley Park for the people has been the Vancouver parks board. For years they have done all they can to protect one of Vancouver's greatest assets.

Where does the National Harbours Board come in? The truth is that much of the land on which this Four Seasons cement colossus is to be built is owned by the National Harbours Board, whose signature is required for the lease. Further, one piece of the land, the Gilford Street waterlot, which was deeded by the National Harbours Board to the city in 1917 so that the public could have access to the water, is now in the process of being deeded back to the Crown by the city of Vancouver for the sum of one dollar so that the National Harbours Board may have everything in order for the signing of the lease.

In 1917 the Harbours Board gave a waterlot to Vancouver so that the public could have access to the water. Apparently today's Harbour Board is prepared to aid private speculators and developers to fence the public away from water, mountains and parks. I challenge the minister to refute this charge. I challenge him to carry out his duty to preserve and protect the heritage of the waterfront for the public. Let him refuse to sanction this lease. Let him listen to the Vancouver parks board and organized citizen bodies in the city of Vancouver. Let him negotiate with the city council to protect the rights of Canadians from coast to coast who have a share in the ownership of Stanley Park which is, as you know, owned by the Department of National Defence and leased to the city of Vancouver.

At the very least, let the minister look at the compromise plan of the Vancouver parks board, a plan which would preserve the block next to the park for public use. This plan would leave the private developers with the second block. It would allow the parks board to develop a fisherman's wharf and restaurants such as have made San Francisco famous, to build a public, revenue-producing marina and a variety of other self-financing attractions.

Wherever you are, Mr. Minister, will you decide for a few well placed persons, or for the whole community? Will you go along with private speculators, or save irreplaceable public land? You have the power to stop this violation of public trust on the part of a few shortsighted people who would sell out the public heritage for a few pieces of paper. The decision is yours; where do you stand?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, I regret that I asked the minister if I could appear for him this evening. Ever since he made that interesting date with the hon. member for Vancouver-Kingsway (Mrs. MacInnis) on December 13 I have been envious of him and have been looking forward to keeping it for him.

Mr. Knowles (Winnipeg North Centre): It serves you right.

Mr. Howard (Okanagan Boundary): Some of the comments of the hon. member for Vancouver-Kingsway are not entirely in keeping with the facts. I share with her the concern of all of us for the preservation of parkland in British Columbia, particularly in respect of that site to which she has referred. There has been no evasion of the truth, or secrecy. I would indicate to the hon. member that the lease was signed by the Harbours Board in respect of that piece of property over five years ago, so the government of Canada is not in a position to take action to do anything to affect such a lease.

Many representations have been received by the Minister of Transport (Mr. Jamieson) in respect of the proposed development. Some, such as those put forward by the Vancouver parks board, are not in favour of the undertaking. Others have identified the proposed development as being imaginative and as an appropriate addition to the downtown establishment. The proposed development comprises a hotel, various types of living accommodation, shops, walks, boat mooring facilities and extensive ornamental gardens; the same kind of thing the hon. member has just recommended. The lease in question has existed for some years. Recently it was renegotiated to accommodate land use more appropriate to the locale.

In light of representations received, and in consultation with various members from the Vancouver area on both sides of the House, the Minister of Transport has been re-examining the whole question. Meetings are taking place currently and the House will be informed of new developments as soon as they occur.

Mr. Knowles (Winnipeg North Centre): Another sell-out.

Motion agreed to and the House adjourned at 10.21 p.m.

HOUSE OF COMMONS

Friday, January 29, 1971

The House met at 11 a.m.

[*Translation*]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

Seventh report of Standing Committee on Finance, Trade and Economic Affairs, in both official languages—Mr. Clermont.

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

* * *

[*English*]

INDUSTRIAL RELATIONS AND DISPUTES INVESTIGATION ACT

PROVISIONS RESPECTING PAYMENT OF DUES BY NON-UNION EMPLOYEES, STATUS IN DECERTIFICATION APPLICATIONS

Mr. Frank Howard (Skeena): Mr. Speaker, on the order paper under Private Members' Public Bills there stands in my name a bill which has a certain technical defect. I would request that, with the permission of the House, the order for second reading of Bill C-209 be discharged and the bill withdrawn.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Order discharged and bill withdrawn.

Mr. Speaker: Introduction of Bills. First Reading of Senate Public Bills. Government Notices of Motions.

Mr. Greene: Mr. Speaker—

Mr. Speaker: Is the minister rising on a point of order?

Mr. Greene: No, Mr. Speaker. I wish to make a statement on motions.

Mr. Speaker: The item "Motions" was called previously. Is there agreement of the House to return to motions to allow the minister to make a statement?

Some hon. Members: Agreed.

Mr. Alexander: We will give you a break, Joe.

ATOMIC ENERGY

ANNOUNCEMENT OF AGREEMENT ENABLING ATOMIC ENERGY OF CANADA LIMITED TO CARRY OUT ENGINEERING ASSESSMENT OF DEUTERIUM PLANT

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I am pleased to announce that the government has authorized Atomic Energy of Canada Limited to enter into an agreement with Deuterium of Canada Limited and the government of Nova Scotia to enable Atomic Energy of Canada Limited to carry out an engineering assessment to determine the feasibility and probable costs of bringing the Deuterium plant at Glace Bay into production.

The province of Nova Scotia and Deuterium of Canada Limited have a very substantial investment in this venture, and its failure would be a serious financial setback for the province of Nova Scotia.

The province has indicated to the government that it is not practicable, because of the lack of sufficient technical expertise at the provincial level, for the province to bring the plant into production and operate it with its own provincial facilities and resources. The government has therefore authorized the above study, which does not include any commitment on the part of the federal government or AECL to carry out further work or to put the plant into production or to operate same, but which study will be submitted to the government for its consideration upon completion.

The study will be embarked upon and completed at the earliest possible date, and AECL has been authorized to spend the sum of $300,000 of its own funds toward such study.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I say that from my own observation the co-operation between Atomic Energy of Canada Limited, the province, and Deuterium of Canada Limited has always been very close. Officials of Atomic Energy of Canada have always been most helpful, and I am pleased to see that this degree of co-operation is evidently continuing. I express the hope that this study and other efforts will lead to an early solution of the problems since this is obviously of great importance to the province of Nova Scotia and indeed to the country as a whole.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, we approve of such a study being made. However, I regret that studies of this nature were not undertaken a long time ago. Much trouble and inconvenience would have been avoided. I agree with the minister that the amount of knowledge on the provincial level is not adequate to deal with this type of problem. I think it can be more properly done by Atomic Energy of Canada Limit-

ed, and I wish them and the province of Nova Scotia well in any such study.

• (11:10 a.m.)

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, since I am quite familiar with the problem of the heavy water plant in Glace Bay, I am pleased to make some comments on the minister's statement.

What surprises me is that the federal government wants to assist a Crown corporation established by the former premier of Nova Scotia who is now Leader of the official Opposition (Mr. Stanfield). This corporation, as we know, is on the verge of bankruptcy. It is a white elephant. It has shown only deficits since the beginning and it costs several million dollars in interests alone.

We know quite well that the leader of the Liberal party in Nova Scotia based its election campaign last year on the possibility of saving the heavy water plant. Now, that plant is completely obsolete and we want to save, at a cost of $300,000, an undertaking that is considered in Nova Scotia as nothing more than a white elephant. Moreover, until now the company has been very badly managed financially.

I wonder how come the federal government now wants to risk an amount of $300,000, unless it is to keep the election promise of the present premier of Nova Scotia, and also to save an undertaking launched by the Leader of the official Opposition, a crown company on the verge of bankruptcy that has never produced an ounce of heavy water to this day.

[*English*]

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT—WELFARE COSTS—INCREASED FEDERAL GOVERNMENT ASSISTANCE UNDER CANADA ASSISTANCE PLAN

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Acting Prime Minister. Does the government now propose any increased assistance to the provinces and the municipalities in view of the skyrocketing costs of welfare resulting from increasing unemployment? I point out that this is particularly urgent in view of statements such as that made by the Metro Toronto Social Services Commission describing the problem as reaching crisis proportions even in Toronto, that great centre which we normally consider to be one of the most dynamic and prosperous cities in the country.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I certainly would agree with the last statement made by the Leader of the Opposition that Toronto is one of the most dynamic and progressive cities on the continent.

[Mr. Thomson.]

Mr. Sharp: In answer to the question that was put to me may I say that the subject of the shares of costs of welfare was discussed at the conference yesterday and will be discussed again today. As I said yesterday in the House, the government has not yet made a decision on the requests of the provinces.

Mr. Stanfield: Mr. Speaker, I would ask the Acting Prime Minister whether this is a subject that can just be considered along these lines? In view of the information that is coming forth daily as to the effect of increasing welfare costs not only upon the people who have to go on welfare but upon the governments directly involved, does he believe this is something than can be let run along, or is the government of Canada now prepared to increase the federal share of assistance under the Canada Assistance Plan in relation to the funds required to meet the costs of welfare, particularly of welfare for those Canadians who are employable?

Mr. Sharp: Mr. Speaker, I am sure the Leader of the Opposition would expect us to consider the requests before we make any decision. I can assure him that the matter is under active consideration in cabinet, and when a decision is made it will be announced in the House.

Mr. Stanfield: Mr. Speaker, would the Acting Prime Minister not agree that the government has had about a year to consider this question?

Mr. Speaker: Order, please.

UNEMPLOYMENT—CONSIDERATION OF INSTITUTION OF GUARANTEED INCOME PLAN

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister. In addition to the consideration that the Acting Prime Minister says will be given to the request for an increase in the percentage paid by the federal government under the Canada Assistance Plan, may I ask, particularly in view of the persistence of unemployment, whether the government is also considering the proposal for the early institution of the guaranteed income plan for Canadians?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the government was the first in this country to issue a paper on the subject, which indicates our very great interest in the matter. It is, as the white paper indicates, a matter of government policy. This is the direction in which we think we should move.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, since the white paper to which the Acting Prime Minister has referred turns down the guaranteed income plan, will the government reconsider it now that it has been requested by a number of the provinces?

Mr. Sharp: Mr. Speaker, the white paper does not turn it down. The government believes that this is the direction in which we should move. I am sure the hon. member will agree that there have been very great advances, as illustrated by many of the discussions now going on with the provinces.

UNEMPLOYMENT—ESTIMATE OF JOBS TO BE PRODUCED BY FEDERAL GOVERNMENT PLANS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, would the Acting Prime Minister advise the House as to what the government's response was to the unanimous demand yesterday at the welfare conference by the representatives of all the provinces that the government increase the share it pays under the Canada Assistance Plan to 60 per cent or, if possible, to 65 per cent, since increased unemployment is making it impossible for the provinces and municipalities to meet relief costs?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I thought the hon. gentleman heard my answer to the question asked by his leader. Perhaps he was not listening to what his leader had to say. He asked me precisely that question and I said that the matter is under consideration.

Mr. Hees: Mr. Speaker, would the Acting Prime Minister advise the House as to what was the response of the government to the request of these ministers yesterday—it was more of a demand than a request—for the government's estimate of the number of new jobs which will be produced by the government's unemployment program during the next three months?

Mr. Sharp: Mr. Speaker, as I said yesterday to the hon. member when he asked a similar question, there was a very substantial increase in the number of jobs in Canada in 1970.

Some hon. Members: Oh, oh!

Mr. Sharp: We expect that there will be an even greater increase in the number of jobs, mainly as a result of the measures taken by this government.

Mr. Ricard: There is to be increased unemployment. That is what the minister means.

Mr. Hees: There has been a decrease, not an increase.

UNEMPLOYMENT—GOVERNMENT SPOKESMAN AT WELFARE MINISTERS' CONFERENCE

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, since unemployment, according to the minister's statement and the requests of the provincial ministers, is the No. 1 issue at the welfare ministers' conference, may I ask which minister has been designated as the spokesman for the government at the conference on unemployment?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the spokesman at the conference is, of course, the Minister of National Health and Welfare. Since this is a meeting of ministers of welfare, he is speaking for the government at that conference. The whole question, of course, of what measures should be taken to meet the requests of the welfare ministers is a subject for the cabinet as a whole.

UNEMPLOYMENT—NUMBER DRAWING INSURANCE BENEFITS

Mr. Frank Howard (Skeena): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister about the government's unemployment program. Has he received reports showing that the total number of people unemployed and drawing unemployment insurance benefits now stands at 756,000?

Hon. Mitchell Sharp (Acting Prime Minister): I cannot vouch for the accuracy of the figure, but I do know that the figure of those receiving unemployment benefits, which indicates the great improvement that has been made in this plan over the years and which is so useful to those who are out of work today, is of the order the hon. member has mentioned.

Mr. Howard (Skeena): Mr. Speaker, inasmuch as that figure is of the order I have mentioned, and since it appears to be an integral part of the government's program to increase unemployment, I wonder whether unemployment has yet reached a satisfactory figure in the minister's opinion.

Mr. Speaker: Order, please. Is the hon. member for Hamilton West rising on a supplementary?

Mr. Alexander: Yes, Mr. Speaker.

UNEMPLOYMENT—IMMEDIATE AMENDMENT OF UNEMPLOYMENT INSURANCE ACT IN VIEW OF INCREASE IN FUND

Mr. Lincoln M. Alexander (Hamilton West): As the unemployment insurance fund has increased from $454 million in September, 1970, to $473 million in December, 1970 and is steadily increasing, indicating that the unemployed either cannot qualify or have exhausted their benefits, a situation that is unbelievable and unacceptable particularly to the more than 500,000 people out of work, will the Acting Prime Minister now accept our advice and bring in the much-needed reforms regarding unemployment insurance?

Hon. Mitchell Sharp (Acting Prime Minister): As I said yesterday, Mr. Speaker, the government has a firm timetable. It is not going to be deterred by attacks made upon the plan here or elsewhere. We intend to bring this legislation forward. I think it will be a very great improvement.

Mr. Alexander: Will the minister kindly advise what I should tell the 538,000 now out of work? Are they to eat cake?

Mr. Speaker: Order, please.

Inquiries of the Ministry

UNEMPLOYMENT—REQUEST FOR REPORT ON DELAYS IN PAYMENT OF INSURANCE BENEFITS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in view of the seriousness of the unemployment situation, will the Acting Prime Minister ask the Minister of Labour to report to the House on Monday on the cause of the extensive and excessive delays in the payment of unemployment insurance benefits and on the measures that will be taken to correct the problem?

Hon. Mitchell Sharp (Acting Prime Minister): I have talked with the Minister of Labour about this situation, Mr. Speaker, and he assures me that a very high proportion of the claims have been met on time, and that those that are delayed are a very small fraction of the total.

Mr. Gleave: In view of the fact that the city of Saskatoon is quite small and I am receiving many complaints, there must be a great deal more than—

Mr. Speaker: Order, please.

Hon. Robert L. Stanfield (Leader of the Opposition): A moment ago the Acting Prime Minister referred to the fixed timetable of the government for the introduction of amendments to the Unemployment Insurance Act. Does the minister consider the maintenance of a fixed timetable more important than the welfare of the people of this country?

Mr. Speaker: Order, please.

* * *

HOUSING

MONTREAL—EFFECTS OF PROPOSED EXPRESSWAY

Mr. Andrew Brewin (Greenwood): I have a question for the Minister without Portfolio in charge of housing. Will the minister join with the city of Montreal in urging the government of the province of Quebec to abandon the project to extend the trans-Canada highway through the city of Montreal in view of the fact that 2,000 families are likely to be uprooted and it is admitted that there is no other housing in which to place them?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I think I replied to a similar question from the hon. member a few weeks ago.

* * *

FAMILY ALLOWANCES

OBJECTIONS TO PROPOSED MAXIMUM FAMILY INCOME LEVEL

Hon. Marcel Lambert (Edmonton West): My question is for the Acting Prime Minister. Has the government decided when and if it will reply to the provincial ministers in connection with the representations they made on the income security plan as it affects family allowances, particularly the strong objections from the province of Ontario with regard to the maximum cut-off family income level included in the plan?

Hon. Mitchell Sharp (Acting Prime Minister): The reason the government put forward its proposals in the form of a white paper was to invite comment. I understand there will be at least some revisions in the plan expressed in the white paper.

Mr. Lambert (Edmonton West): Can the minister state when the government is likely to make this announcement so that we can then consider how sincere it may be?

Mr. Sharp: I expect the announcement will be in the form of legislation.

* * *

NATIONAL SECURITY

REPORTED PROPOSAL TO ESTABLISH CIVILIAN SECRET SERVICE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Acting Prime Minister. It is in connection with a civilian secret service being established to replace the Royal Canadian Mounted Police security and intelligence agency. Is it a fact that a decision in this regard has been made, as reported in the press, and if that is so will the minister say whether the Royal Canadian Mounted Police force is to be placed in a position in which it will have no responsibility in this regard?

Mr. Speaker: Order, please. Before the Acting Prime Minister replies I think I should take exception to the form of the question asked by the right hon. gentleman since it asks for confirmation or denial of a press report. Perhaps we can assume the question has been asked directly, in which case the Acting Prime Minister might be allowed to reply.

Mr. Diefenbaker: Mr. Speaker, with all respect to Your Honour—

An hon. Member: Now, don't get mad, John.

Mr. Diefenbaker: —I suggest to you that the manner in which the question period is being restricted places the opposition in a position where it cannot discharge its responsibilities.

Some hon. Members: Shame!

Mr. Speaker: Order, please. It seems to me that the opposition has been discharging its responsibilities very ably. In any event, the rule to which I have alluded is one of long standing. It is just as easy to ask a question directly, and I must assume at this point that the question has been asked in this way.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, from where I sit I do not see any restriction on the freedom of the opposition to ask questions.

Mr. Diefenbaker: Your are the biggest dictator of all in that connection and you would not know.

Mr. Sharp: May I say that there is no substance whatever to the report that has appeared.

Mr. Muir: You are as dull as usual, Sharp.

Mr. Sharp: The government is not considering transferring any of the responsibilities of the RCMP in the field of security to any other agency.

Mr. Diefenbaker: Mr. Speaker, will the minister say whether a civilian secret service group has been or is in the process of being set up?

Mr. Sharp: I thought I had answered that question, Mr. Speaker.

Mr. Diefenbaker: Just with evasiveness.

Mr. Sharp: There is no substance to the report referred to by the right hon. gentleman. The government has not established such a force and does not intend to do so.

* * *

ATOMIC ENERGY

ENGINEERING ASSESSMENT OF DEUTERIUM PLANT—INQUIRY AS TO REJECTION OF FINDINGS OF DUPONT REPORT

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, in view of the announcement this morning by the Minister of Energy, Mines and Resources, does this additional study of the Deuterium of Canada plant by Atomic Energy of Canada Limited at a cost of $300,000 indicate a rejection of the findings in the Dupont report?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): No, Mr. Speaker.

* * *

[*Translation*]

POST OFFICE

MONTREAL—ESTABLISHMENT OF CROWN CORPORATION TO PROVIDE TRANSPORT SERVICE

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the President of the Treasury Board.

Since a document issued by his department suggests the establishment of a crown corporation to provide a mail carriage service in Montreal, could the hon. minister advise whether he favours this proposal and whether he will urge the government to create this corporation?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I have not heard this question too clearly, but if it is addressed to me, I can say that the government has considered this proposal and concluded that this solution was not feasible.

* * *

[*English*]

POLLUTION

THREAT POSED BY TANKER TRANSPORT OF OIL FROM VALDEZ, ALASKA, TO CHERRY POINT, WASHINGTON

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question of vital importance to the province of British Columbia and I should like to direct it to the Minister of Transport. As Atlantic Richfield Oil Company is in the process of building a $150 million refinery complex at Cherry Point adjacent to the British Columbia border to handle Alaskan oil which will reach the refinery in 125,000 ton oil tankers by a water route, which represents a real pollution threat to Canadian territory, has the minister's department been approached by the United States government regarding the possibility of establishing a tanker route between Valdez, Alaska and Cherry Point in the state of Washington?

Mr. Speaker: Order, please. In spite of the hon. gentleman's reference to the fact that this is a very important matter to the province of British Columbia, it does not appear to me to be a matter of extreme urgency. Perhaps the Minister of Transport should be allowed to reply briefly.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there has been no direct approach made to me of which I am aware, but I will be glad to check to see whether any representations have been made to my officials.

Mr. Harding: Mr. Speaker, I should like to direct a supplementary question to the Secretary of State for External Affairs. As the refinery construction is in progress before any hearings have been held regarding the trans-Alaskan pipeline syndicate application, in which Canada may be interested, will the minister direct inquiries to the United States to determine whether there is any substance to the report that the refinery complex will be in a position to receive Alaskan north slope oil?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I do understand the urgency of this question and I can assure the hon. member that we have the situation under scrutiny. The hon. member for Esquimalt-Saanich brought this question up the other day, and I do believe that a very serious problem is involved for the coastal region if in fact these plans proceed.

Mr. Harding: In view of the terrible pollution threat this proposal represents to the whole southwest section of British Columbia's inside passage, would the minister make representations to the United States government to try to stop this project from being constructed in this area?

Mr. Sharp: Mr. Speaker, as I have said, we consider this to be a serious problem and we are examining the matter now.

* * *

NATIONAL SECURITY

INQUIRY AS TO WITHDRAWAL OF PUBLIC ORDER (TEMPORARY MEASURES) ACT IN VIEW OF BAIL LEGISLATION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I do not know to whom to direct this question because there are so many gallivanting ministers of the Crown, with only nine here today—

Some hon. Members: Order.

Mr. Woolliams: —but I hope I can get an answer from the Acting Prime Minister. Since the government is now bringing forward a bill to make bail easier, can the Acting Prime Minister tell the House whether the government has decided to withdraw the Public Order (Temporary Measures) Act, known as the Turner bill in Quebec? I ask the question because making bail easier would seem to be in contradiction of the Act which is still in effect.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, we have no plans as yet to withdraw that measure. As I understand it, the province of Quebec still feels that it is desirable to have these special powers.

Mr. Woolliams: In view of the Acting Prime Minister's statement yesterday, does he believe there should be one law with reference to bail as far as the province of Quebec is concerned and another law as far as the rest of Canada is concerned?

* * *

AGRICULTURE

INQUIRY AS TO CONTINUATION OF FEED GRAIN FREIGHT ASSISTANCE

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Agriculture; I have given him notice of same. Could the hon. gentleman indicate whether feed grain freight assistance will be continued, as requested at the meeting this week of the Canadian Federation of Agriculture?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, may I express my appreciation to the hon. member for advising me as we were coming into the House that he intended to ask this question. I have not seen the full context of the request in the resolution that was considered at the Canadian Federation of Agriculture convention, but I should remind the hon. member that early last summer we indicated that the rates in effect now will continue until the end of this fiscal year. Of course, in the new fiscal year we will have to bring estimates before the House for the appropriation of funds for the levels we set for that year.

[Mr. Harding.]

Mr. McCleave: I wonder whether the minister would tell me whether he said yes to me or whether he said no?

Mr. Olson: Mr. Speaker, I attempted to explain to the hon. member some of the procedural requirements relating to the expenditure of funds—

Mr. Speaker: Order, please.

* * *

[*Translation*]

MANPOWER

TEXTILE INDUSTRY—POSSIBLE LAY-OFFS BECAUSE OF RATIONALIZATION POLICY

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I wish to address a question to the Acting Prime Minister.

Could he give us an estimate of the number of Canadian textile workers who would be laid off as a result of the rationalization policy proposed by the Minister of Industry, Trade and Commerce concerning this industry?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as the hon. gentleman knows, the purpose of the legislation that has been introduced is to strengthen the position of the textile industry. I think it will and I believe that there will be less unemployment than otherwise would be the case.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a supplementary question.

Could the Acting Prime Minister table in the House as soon as possible a statement on the number of jobs that will be created at Sainte-Scholastique, considering that, apparently, some very definite figures indicate that not more than 50 per cent of the number expected will be created? Could he tell the House how many jobs will be created following the construction of the Sainte-Scholastique airport?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Perhaps I might be permitted to answer that question, Mr. Speaker. I have not actually seen the assessment that was made but I understand it was made privately. It is purely a theoretical projection, and at this stage it is exceedingly difficult to come up with what might be described as a firm figure as to what the total permanent employment picture is going to be.

[*Translation*]

Mr. La Salle: I want to ask another supplementary question, Mr. Speaker.

Does the Minister of Transport still believe that it will be possible to make 100,000 new jobs available through the establishment of this airport, as it was indicated—

[*English*]

Mr. Speaker: Order, please. The hon. member for Wellington.

* * *

POST OFFICE

SUGGESTED REINSTITUTION OF SIX-DAY DELIVERY TO PROVIDE JOBS FOR UNEMPLOYED

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Minister without Portfolio in charge of the Post Office. Before asking my question I should like to congratulate him on his efforts to restore the next-day delivery that Canadians were accustomed to having before his colleague—

Mr. Speaker: Order, please. We are running short of time and the hon. member should ask his question.

Mr. Hales: In view of the great amount of unemployment in the country, would the minister consider reinstituting six-day delivery, thus creating jobs for many unemployed Canadians?

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, as I said in reply previously to the leader of the hon. member's party, the recommendation of the Davey report is under study. If this service were now reinstituted, I do not think it would be especially for the purpose of reducing the number of unemployed in the country because I think this problem will be solved very shortly.

* * *

HOUSING

SUGGESTED ESTABLISHMENT OF MUNICIPAL LAND BANK

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the minister in charge of housing. In view of an excellent article in the Toronto *Telegram* in December by the hon. member for Trinity, wherein he said that the Canadian housing situation is bad and getting worse and that the government missed an excellent opportunity—

Mr. Speaker: Order, please. Would the hon. member ask his question without citing the article.

Mr. Gilbert: I think all hon. members should read this article, Mr. Speaker. He said that the government had missed an excellent opportunity in not implementing the recommendation regarding setting up a municipal land bank. Would the minister reconsider that recommendation and perhaps implement it in the near future?

Mr. Speaker: The hon. member's question is in the form of a submission and recommendation. He has to assume that the matter will be considered by the minister.

Inquiries of the Ministry

CANADIAN NATIONAL RAILWAYS

DISCONTINUANCE OF DINING CAR SERVICE, OTTAWA-MONTREAL

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the Minister of Transport. Has the minister received any news from Canadian National Railways that they will suspend their plan to discontinue dining car service between Montreal and Ottawa on February 1, which action will further contribute to the unemployment problem and to the seriously deteriorating rail service between the national capital and the metropolis of Montreal?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, I have received no such word from the CNR.

Mr. Allmand: Mr. Speaker, would the minister consider amending the Canadian National Railways Act so as to make that body more responsible to the people of Canada—

Some hon. Members: Hear, hear!

Mr. Allmand: —and to ensure that the Canadian people will get the service they expect of a national railway?

* * *

CROWN CORPORATIONS

AIR CANADA, CANADIAN NATIONAL RAILWAYS—SUGGESTED REPRESENTATIONS RESPECTING AVOIDANCE OF EMPLOYEE LAY-OFFS

Mr. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Acting Prime Minister. Would the government of Canada approach those in charge of crown corporations such as Air Canada, Canadian National Railways and others and seek their co-operation in avoiding lay-offs—particularly at a time of heavy winter unemployment—which can only aggravate the already deplorable unemployment situation in this country?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the Leader of the Opposition is a little behind with his request; this was done some weeks ago by the government.

Mr. Stanfield: Mr. Speaker, is the Acting Prime Minister able to assure the House that the government has received an assurance from these crown corporations that the request of the government will be complied with and that there will be no further lay-offs of the sort announced by Air Canada and the CNR during this season of winter discontent?

Mr. Sharp: Mr. Speaker, I am sure the Leader of the Opposition would want the CNR, Air Canada and other

corporations of this kind to be run as good business ventures. We make the same sort of representations to private companies to do the same thing. We are quite confident that these Crown corporations will pay as much attention as private companies, and I hope a little more to our requests.

Mr. Speaker: Order, please. I hesitate to interrupt the minister but I see a number of members are trying to ask questions who have been unsuccessful so far. I am trying to get to them as soon as possible.

* * *

AIR CANADA

PROPOSED LAY-OFF OF EMPLOYEES AT EDMONTON

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is for the Minister of Transport. Would the minister look into the immediate intention of Air Canada to lay off employees in the Edmonton area, in particular the three baggage loading personnel and six charming ground hostesses? Air Canada has deprived Edmonton of extra flights and is now downgrading its personnel and service at this international airport.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will be glad to look into the matter.

* * *

TRANSPORT

FREIGHT RATE LEVEL IN PRAIRIE PROVINCES—ACTION TO REMOVE DISCRIMINATION

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I also have a question for the Minister of Transport. It is related to the question put to him just prior to the Christmas recess concerning the excessively high freight rates presently existing in many parts of western Canada. He stated that soon after the first of the year he or his officials would look into the matter. Is he now in a position to report on what progress has been made?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, shortly before Christmas I had some telephone discussions with Premier Thatcher of Saskatchewan and as a result, a mutually agreeable date, I think within this present week, was agreed upon for officials to travel to Saskatoon for the initial discussions. I will be going there within a matter of a couple of weeks to follow this up.

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WELFARE

DISCUSSIONS WITH PROVINCIAL GOVERNMENTS ON PHASING OUT OF DIRECT PAYMENTS BY FEDERAL GOVERNMENT

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Acting Prime Minister. In view of the statement of the health and welfare minister of Quebec at the recent conference, does the federal government plan to enter into discussions with the Quebec government and other provincial governments so that direct payments to persons on social welfare by the federal government would be phased out and replaced by a more global approach administered by the provinces?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I have made it plain, as have other members of this government, to all provincial governments that the government of Canada considers that the constitutional right to make payments directly to individuals in all parts of Canada is an integral part of Canadian confederation and will not be abandoned.

* * *

AIRPORTS

REGINA—MEETINGS WITH CITY REGARDING SALE OF CITY-OWNED PROPERTY

Mr. John Burton (Regina East): Mr. Speaker, I should like to direct a question to the Minister of Transport. Can the minister indicate whether any progress was made at the meetings this week with the city of Regina concerning the proposed sale of land by the city to the federal Department of Transport at the Regina airport, and can he give any indication when we may expect to have an agreement signed on this matter and also dealing with the future operation of Regina airport?

Hon. Donald C. Jamieson (Minister of Transport): Considerable progress was made at the meetings this week with the mayor of Regina and other officials of that city. As I recall the timetable, we are going to Regina practically at the same time as the meetings will be held in Saskatoon to which I referred a few minutes ago, and I would hope that if we do not resolve the matter completely at that time it will be sufficiently advanced so that the contracts can be signed and the whole deal completed within the present year.

* * *

INDIAN AFFAIRS

CUTBACK IN HOUSING CONSTRUCTION ON CLANDEBOYE AND FISHER RIVER RESERVES

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. On January 20 when I made a request of the minister for an accelerated housing program on Indian reserves the minister replied that he had asked officials of his department to hasten this project in order to supply Indians with employment this winter. Is the minister aware of the cutback in housing on the Clandeboye and Fisher River district reserves in Manitoba and would he look into the matter to determine why this program has been cut back at this time?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I will inquire immediately in order to know whether this figure was indeed reduced.

* * *

[*English*]

EXTERNAL AFFAIRS

MOROCCAN AID PROGRAM—UNDERWRITING OF COST

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Acting Prime Minister dealing with the $300 million aid program negotiated and signed jointly by the governments of Quebec, Canada and Morocco. Can the Acting Prime Minister indicate to the House whether the federal government intends to underwrite the total cost of this program, namely, $300 million?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am afraid the hon. gentleman has his figures wrong. He must have lost the decimal point. But I can tell him that this project is a project of the Canadian International Development Agency which is being undertaken in co-operation with the province of Quebec. It is an expenditure of the federal government and we are very gratified that the province of Quebec is co-operating so closely with us.

Mr. Mazankowski: Mr. Speaker, can the minister indicate the total cost of the program because the *Globe and Mail* reported that the cost of this program jointly negotiated—

Mr. Speaker: Order, please.

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HIGHWAYS

SUGGESTED CONSTRUCTION OF ROAD LINKING LABRADOR COMMUNITIES AND QUEBEC

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, my question is for the Minister of Transport. In view of the recent announcement of curtailment of military and civilian forces at Goose Bay, will the minister expedite government consideration of the recommendation of the Transport Committee which was concurred in by the government over a year ago regarding federal participation in the building of a highway linking major Labrador communities to the province of Quebec?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, since the announcement or indeed prior to the announcement of the phasing down of operations at Goose Bay there has been an interdepartmental committee working on this question not merely involving that particular proposal of the Transport Committee but also a number of alternatives. I would hope we would reach

some conclusions shortly as to what are the most appropriate steps we can take.

Mr. Peddle: Mr. Speaker, does the minister think there might be some more information on this matter say by Monday?

Mr. Speaker: Order, please.

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POWER

BAY OF FUNDY TIDES—REOPENING OF PROJECT STUDIES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In light of the desirability of co-operation between all levels of government in respect of the development of Fundy tidal power, could the minister now indicate to the House whether the Premier of Nova Scotia has formally been in touch with his department in respect of reopening the studies of this project and, if so, has the minister replied?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, to the best of my knowledge there is no request from either of the provinces which participated in the study to have it reopened at the present time.

Mr. Forrestall: Mr. Speaker, in light of the absence of a formal request or discussion between the province of Nova Scotia and the federal authority, would the minister use his good offices to make sure that this project when it is developed does involve all three levels of government and not just one?

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

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PUBLIC SERVICE

REVIEW OF STAFF RELATIONS ACT—CONSULTATION WITH EMPLOYEE ASSOCIATIONS—REFERENCE TO COMMITTEE

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, on November 27, 1970, the President of the Treasury Board replied as follows to a question of mine:

> The government is now reviewing the Public Service Staff Relations Act.

Since there seems to be some confusion about the precise nature of this review, I should like to ask whether a review of the Public Service Staff Relations Act is currently in progress and, if so, are the staff associations whose members will be affected by any subsequent changes being consulted?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the review is currently in progress. As the Public Service Staff Relations Board reports to the House through the Minister of Manpower and Immigration, per-

haps I should let him answer concerning the plans for consultation.

Mr. Rose: Mr. Speaker, I wonder whether the President of the Treasury Board would take notice of this question for the minister so that this whole issue might be referred to the appropriate standing committee of parliament?

Mr. Speaker: Order. The hon. member for Norfolk-Haldimand.

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CANADIAN NATIONAL RAILWAYS

DISPLACEMENT OF STATION AGENTS—ASSURANCE OF JOB SECURITY AND SENIORITY

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, I have a question I should like to direct to the Minister of Transport. The CNR is establishing a servo-centre program, with one to be located at Brantford, which will displace station agents from many of the small stations in the surrounding area. What steps will the minister or his department take to assure not only job security of these displaced persons but also their seniority?

Hon. Donald C. Jamieson (Minister of Transport): I would assume this is an issue which would be a part of the collective agreement between the railway and its employees, but I will be glad to take the question as notice and see whether I can find out anything further for the hon. member.

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[*Translation*]

PENITENTIARIES

PRINCE ALBERT—GRIEVANCES OF GUARDS

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I should like to correct the answer I gave the right hon. member for Prince Albert (Mr. Diefenbaker) on January 21 and 22 in connection with grievances filed after some prisoners broke out of Prince Albert penitentiary. As a matter of fact, not one but six corrections officers have filed grievances.

[*English*]

[*Later:*]

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the hearing apparatus was not working when the Solicitor General made his statement a few moments ago. I would ask him to repeat it because we do not want to miss anything from Prince Albert.

[*Translation*]

Mr. Goyer: In view of the fact that the rights of the opposition are much respected in the House, I will certainly repeat, for the information of the right hon. member for Prince Albert that I want to amend the reply I made to him on January 21 and 22 concerning the grievances filed after some prisoners broke out of Prince Albert penitentiary. Actually it was not one corrections officer, but six, that filed grievances.

[*English*]

PRINCE ALBERT—PUBLICATION OF INQUIRY REPORT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, now that the minister has corrected the statement he made earlier, is he prepared to correct himself to the extent of making the report of the investigation into the Prince Albert Penitentiary public so that the people of Canada may know the facts?

[*Translation*]

Mr. Goyer: Mr. Speaker, I made a correction, but I have not changed my mind about the basic situation.

* * *

[*English*]

TRANSPORT

PROVISION OF THIRD FERRY ON WOOD ISLANDS-CARIBOU RUN

Mr. Heath Macquarrie (Hillsborough): I should like to direct a question to the Minister of Transport on a subject about which, when last asked, he was optimistic. Could he now be definitive about the question of providing a third ferry on the Wood Islands-Caribou run?

Hon. Donald C. Jamieson (Minister of Transport): I hope I can be a little more definitive. My recollection is that the plans or drawings for a vessel for this service are in the process of preparation and that tenders should be called in the fairly immediate future. I do not know what the dates are or the state of the design work at this moment. I will be glad to make further inquiries and inform the hon. member.

Mr. Macquarrie: Mr. Speaker, considering that this ship will serve the historic Belfast district of Prince Edward Island, will consideration be given to naming it for one of the most distinguished and able Belfasters, Mr. J. Angus MacLean?

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THE CANADIAN ECONOMY

INQUIRY AS TO STATEMENT ON FOREIGN INVESTMENT

Mr. Paul Yewchuk (Athabasca): My question is for the Acting Prime Minister. In view of the uncertainty that exists in the country or has been developing in the past few months, can the minister indicate whether the government will be making a clearcut statement with regard to the question of foreign investment in Canada in the near future?

Hon. Mitchell Sharp (Acting Prime Minister): As has been said on a number of occasions, the government has the matter under consideration. One of the ministers is

charged with making a report to the cabinet, which has not yet been made. I cannot predict when it will be made.

Mr. Yewchuk: Can the Acting Prime Minister indicate whether the government has had a chance to look at the committee report, which has become popularly known as the Wahn report, with regard to Canada-U.S. relations. Has the government had a look at this report and does it accept the recommendations of that committee?

Mr. Sharp: Of course we have looked at it. It was a report of a committee of the House. The government has not taken any position on it.

Mr. Yewchuk: Can the Acting Prime Minister indicate whether this report will be discussed or debated in the House of Commons in the near future?

Mr. Sharp: I do not have control over such a debate. I do not know.

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AGRICULTURE

ENCOURAGEMENT TO FARMERS TO MARKET LIGHTER WEIGHT HOGS

Mr. Rod Thomson (Battleford-Kindersley): I had questions for two different ministers but they have both left the House. I will direct my question to the Minister of Agriculture. In view of the surplus of hogs and the corresponding low prices on Canadian markets, would the minister consider encouraging farmers to market hogs of a lighter weight by making changes in the pricing and grading formulas?

Mr. Speaker: The hon. member for St. John's East.

Mr. Burton: I rise on a question of privilege, Mr. Speaker, arising out of the fact that some ministers who are due to be present in the House today according to the government's roster system have already left although the question period is not over. This makes a mockery of the parliamentary institution.

An hon. Member: They will be here on Monday.

* * *

THE CANADIAN ECONOMY

NEWFOUNDLAND CONFERENCE—ASSURANCE THAT NEW PROGRAMS WILL BE FIRST ANNOUNCED IN HOUSE

Mr. James A. McGrath (St. John's East): I want to direct a question to the Acting Prime Minister. It is prompted by a question put to the Minister of Transport by my colleague, the hon. member for Grand Falls-White Bay-Labrador. In view of the participation in the economic conference sponsored by the Newfoundland government to start in St. John's next week by three federal cabinet ministers, can the Acting Prime Minister assure the House that no new federal programs will be announced for that province until parliament has been informed first?

Hon. Mitchell Sharp (Acting Prime Minister): I do not know whether I can give that undertaking. It is not that I know of any that are going to be announced, but sometimes questions are asked and sometimes it is quite appropriate for ministers to make statements outside the House before making them here. It is not an invariable rule that ministers must make their statements in the House first and, as hon. members know, there are occasions when it is important and in the public interest that announcements be made outside the House before being made here.

Mr. Diefenbaker: But it is a parliamentary rule.

Mr. McGrath: The government has announced that there will be substantial federal participation in a proposed master plan to be unveiled by the government of Newfoundland. In view of the fact that the Newfoundland Members of Parliament have been denied access to this conference, I again ask the Acting Prime Minister if he will assure the House that no new federal initiatives will be announced for the province of Newfoundland until parliament has been informed first?

Mr. Sharp: I have nothing to add to the statement I have already made.

Mr. Speaker: The question period expired a few minutes ago. However, I believe the hon. member for Saskatoon-Biggar has a supplementary to a previous question.

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TRADE

IMPORTS OF BEEF—POSSIBLE QUOTA AGREEMENT WITH NEW ZEALAND

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I would have liked to put my question to the Minister of Agriculture. In his absence, possibly I could put it to the Parliamentary Secretary to the Minister of Industry, Trade and Commerce.

In view of the previous decision to cut off imports of New Zealand beef because it was creating problems in the Canadian as well as in the United States market, can the Parliamentary Secretary inform the House whether the government is prepared to work out a quota agreement with New Zealand on imports of beef similar to those now existing for butter and dairy products so that the situation can be regularized?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): I had the privilege last evening of debating the subject in the House with the hon. member, and I pointed out that if a problem should arise again with regard to imports of Australian and New Zealand beef the government anticipates

it would be able to take appropriate action on the same basis as that taken last summer when the problem arose at that time.

Mr. Speaker: Orders of the day.

ROUTINE PROCEEDINGS

PRICES AND INCOMES COMMISSION

TABLING OF REPORT ON PRIMARY NICKEL PRICES

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I would ask the unanimous consent of the House to revert to motions for a moment.

Mr. Speaker: Does the House agree to allow the Parliamentary Secretary to revert to motions?

Some hon. Members: Agreed.

Mr. Jerome: I should like to table on behalf of the Minister of Consumer and Corporate Affairs two copies each in the two official languages of the report by the Prices and Incomes Commission on primary nickel prices.

• (12:00 noon)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL RE-ORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Thursday, January 28, consideration of the motion of Mr. Drury (for the Prime Minister) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to a committee of the whole.

Mr. Thomas S. Barnett (Comox-Alberni): When I was speaking yesterday evening, I expressed my astonishment at the fact that the President of the Treasury Board (Mr. Drury) in introducing this bill had suggested that if passed it would enhance the control of Parliament over the executive. I had, by way of illustration to counter his astonishing statement, made some reference to the proposed department of environment. I suggested that this department had already been created by Order in Council and that, therefore, to ask us now to approve its establishment was making a mockery of the concept of the control of Parliament over the executive, rather than the reverse. A few fancy bits of verbiage and a new name do not in any way alter the substance of what the government has already done by Order in Council under the authority of the Public Service Rearrangement and Transfer of Duties Act.

I think it is pertinent to this debate that we should dust off this Public Service Rearrangement and Transfer of Duties Act. It appears to have been on our statute books for a long while. It has not been amended since the Revised Statutes of 1952, and if I read it correctly there, it was taken intact from the Revised Statutes of 1927. I have not pursued its history further back than that. It has only two sections in addition to the Title. I submit it is time we took a look at its terms in detail, and that in fact it should be part of the record of the discussion on this government organization bill. So, I would like to quote from it. Section 2 of the act reads:

> The Governor in Council may (a) transfer any powers, duties or functions or the control or supervision of any part of the public service from one Minister of the Crown to any other Minister of the Crown, or from one department or portion of the public service to any other department or portion of the public service; or (b) amalgamate and combine any two or more departments under one Minister of the Crown and under one deputy minister.

Section 3 reads:

> Whenever under the provisions of this Act, or under any other lawful authority, any power, duty or function, or the control or supervision of any part of the public service is transferred from one Minister of the Crown to any other Minister of the Crown, or from one department or branch of the public service to any other department or branch of the public service, the Minister, department or branch to which the power, duty, function, control or supervision is transferred, and the appropriate officers of that department or branch, shall, in relation thereto, be substituted for and have and may exercise the respective powers and duties that formerly belonged to or were exercisable by the minister, department or branch and the respective officers of the department or branch from which the power, duty, function, control or supervision is so transferred as aforesaid.

As I say, Mr. Speaker, that is the complete text of that act which has been sitting on our statute books for a long while.

It is important in this context because, as the President of the Treasury Board himself said in his introductory speech the government, in latter years, had been making increasingly wide use of the powers which are conferred by this statute. In fact, Mr. Speaker, as I pointed out last night the department for which it is proposed to substitute the new department of environment was, in fact, created in this way, as I indicated by making a reference to the introduction to the first annual report of the Department of Fisheries and Forestry. So, I think it is quite pertinent that we should examine the situation in respect of the government organization bills which are becoming an annual event in the sessions of this Parliament.

If, in fact, we were being asked to repeal, or amend, or alter the Public Service Rearrangement and Transfer of Duties Act, so as to reduce the authority of the government to move segments of the public service about at will from one part of the ministry to another, then I suppose the veracity of the statement made by the President of the Treasury Board would be emphasized but,

Mr. Speaker, that is not what we are being asked to do. I suggest that the debate on this bill is well focused upon the question of just what direction we are heading in relation to the whole question of the authority of the executive to manage the public service and the authority, if any, that Parliament should be able to exercise.

In considering this question I thought I would put forward a form of a bill which I think perhaps actually represents more closely the real state of affairs at this moment than does the exercise which the government has proposed for us in the government organization bill that we are debating. I would like to suggest this as an appropriate statement of the actual state of affairs which currently exists as far as the relationship between the parliamentary branch and the executive branch of the government of Canada is concerned, and in particular with reference to the developing position of the Prime Minister (Mr. Trudeau) in the picture, which has been touched upon by some of the other speakers in this debate. So, Mr. Speaker, this is a draft bill. It reads:

Government Organization Act, 1970

An Act respecting the organization of the Government of Canada and matters related or incidental thereto.

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

SHORT TITLE

1. This Act may be cited as the Act to End Government Organization Acts, 1971.

PART I

Department of the Prime Minister

2. (1) There shall be a Government of Canada called the Department of the Prime Minister over which the member of the Queen's Privy Council holding the recognized position of First Minister shall preside.

(2) The Prime Minister holds office during his own pleasure and has the management and direction of the Department of the Prime Minister.

3. The Governor in Council may appoint an officer called the Deputy Minister of the Prime Minister to be deputy head of the Department of the Prime Minister and to hold office during pleasure.

4. The duties, powers and functions of the Prime Minister extend to and include all matters over which the Parliament of Canada has jurisdiction, not by law assigned to any other government.

PART II

Sub-Departments

5. The Prime Minister may from time to time establish such Sub-Departments as he sees fit and shall assign to them such titles as he deems appropriate, and may abolish such Sub-Departments or change their titles or functions at his pleasure.

6. (1) The Prime Minister shall appoint from amongst other members of the Privy Council a Sub-Minister to preside over each sub-department, to hold office during pleasure.

(2) Each Sub-Minister shall exercise such powers, and perform such duties and functions as may be assigned to him under the Public Service Rearrangement and Transfer of Duties Act.

(3) The Prime Minister shall not, pursuant to sub-section (1) appoint Sub-ministers so that there are more than fifty such sub-ministers in existence at any one time.

7. The Governor in Council may appoint an officer called a Sub-Deputy Minister to be deputy head of each sub-department.

Government Organization Act, 1970

PART III

Transitional and Consequential

8. Without restricting the generality of section 2, the Acts to be administered by the Prime Minister include the Acts set out in Schedule A, and whenever any department, minister or deputy minister is mentioned or referred to in any of those Acts, or in any order, rule or regulation made thereunder, or any contract, lease, licence or other document made or issued pursuant thereto, there shall in every case, unless the context otherwise requires, be substituted the Department of the Prime Minister, The Prime Minister, or the Deputy Minister of the Prime Minister, as the case may be.

9. This Act shall come into force on a day to be fixed by proclamation at the pleasure of the Prime Minister.

Schedule A.

Every Act heretofore or hereinafter enacted.

• (12:10 p.m.)

You may have recognized, Mr. Speaker, that I have put forward this proposal with tongue in cheek. I have done so to emphasize the point that, for all practical purposes, my proposal represents very closely the actual state of affairs in our governmental system at present. If we are to consider the realities of the situation, perhaps we ought to consider the form as well. Parliament ought not to be asked to go annually through this exercise, as we are now being asked to participate in this debate, unless this House is to have some real authority over the nature of what government departments shall be brought into being from time to time. In the absence of that authority, I think we should simply recognize that this matter lies entirely within the prerogative of the executive and in the hands of the Prime Minister, and be done with it. At least that would give us a greater opportunity for assessing and discussing real legislative proposals upon which the operations of the government must hinge.

There are bills before us that have substance and that will have an impact on the future. We passed several during the previous session. For example, the Canada Water Act is the kind of bill that will affect the future operations of the government in relation to the welfare of the Canadian people. Unless the government can agree, when dealing with such questions as organization, to place before Parliament propositions of significance and meaning which Parliament can debate and decide in order to give real guidance to the course the government should take in the organization of the operations of the public service, we ought to have done with the kind of mockery we are witnessing now. Instead of discussing a fait accompli with regard, for example, to the establishment of a department of the environment, we ought to have the opportunity, if the government believes that Parliament should have the power to direct some general trends of government organization, of expressing ourselves on the basic concept before the department is established and not after it has been created. That, Mr. Speaker, is the meat of this debate, especially when one looks at the matter in the light of the terms which were set out by the President of the Treasury Board in his initial remarks.

Debate might be more real or meaningful if the government were to introduce in resolution from the concept underlying the setting up of a new department or underlying the division of the operations of the government. I made a rough draft of the kind of resolution that might be considered in the context of the current debate. If, before action was taken under the Transfer of Duties Act to create the department of the environment, we had been given the opportunity of telling the government what we thought the nature of that department ought to be, what general areas of operation it ought to be involved in and what jurisdiction it ought to exercise and then perhaps allow the government to look after the details of transfers of branches or subbranches in order to build the appropriate organization based on a concept approved by Parliament, and if a resolution along the lines I shall read in a minute had been introduced in the previous session and agreed to by the House, then, I suggest, not too much criticism could have been levelled at the transfer, for example of the wildlife service from one ministry to the new department of the environment.

In order to emphasize my feelings on this matter, Mr. Speaker, I should like to suggest that the House might have adopted a resolution along the following lines:

Resolved:

That there be established a Ministry of the Environment, with duties, powers and functions extending, within the jurisdiction of the Parliament of Canada, over renewable resources and the protection and enhancement of the quality of the natural environment, including water, air and soil quality; such duties and powers to include the implementation and administration of all relevant legislation enacted by Parliament, including that related to water, fisheries, forests, migratory birds and other wild animal and plant life; And be it further resolved: that the appropriate existing branches and agencies within the Public Service be transferred to, and co-ordinated within the proposed Ministry of the Environment.

If we had been given an opportunity to participate in a debate on such a resolution before the establishment of the department, instead of after, we could have embarked on a really meaningful debate in Parliament which could have been of value in guiding the government on the details of its organization. For example, in view of the overlapping in certain areas of government, we could have discussed whether any elements or government organizations dealing with the soil of Canada ought to be removed from the jurisdiction of the Department of Agriculture and placed under the jurisdiction of the new department. We could have embarked on a meaningful debate over the question of whether the management of the commercial fisheries of Canada ought to remain the responsibility of the ministry of fisheries or be transferred to the ministry of the environment. We could have debated the question of whether the parks branch should remain within the rather strange, existing structures of the Department of Indians Affairs and Northern Development, or whether it might more appropriately come within the department of the environment. The Parks branch now seems to be a sort of appendage to the department headed by the Minister of Indian Affairs and Northern Development (Mr. Chrétien). If we are increasingly to use our present methods, what is the point in even bothering to go through this kind of hollow exercise which deals only with the outer shell and not with the meat of the change in government structure and organization. I think it is time for Parliament to indicate that we ought to call a halt to the present trend in government actions.

Although I have not consulted the relevant debates, I imagine that the Transfer of Duties Act was intended to be used for the sort of minor transfer arrangements that create some flexibility in the operations of government. I am quite sure that the parliamentarians who agreed to the passage of that bill, and who put it on our statute books, did not envisage that one day the executive, of its own accord, would use the authority of that law to create out of the blue entirely new departments embracing new concepts of government. Therefore, Mr. Speaker, I urge hon. members of the House to consider the implications of what we did this year, last year, the year before that and the year before that, in dealing with omnibus bills relating to government organization.

• (12:20 p.m.)

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, a great many members on this side of the House have already voiced their objections to this kind of omnibus bill. It is not my intention to repeat what has been said. However, I wish to state that I agree with the position of my colleagues in this party and members of other opposition parties. The basic problem is that hon. members, including government members, are faced with the situation, as the old expression goes, of having to throw out the baby with the bath water. In other words, there are many things in this bill that should be separated. I cannot understand why the government would not like to have on the record the unanimous support of the House on some aspects of this bill. On the other hand, there are some sections of this bill which a great many members, including government members, may not wholeheartedly support.

With regard to the phrase the "baby and the bathwater", the baby part of the bill deals with the new department of the environment. I think all hon. members are generally in favour of that, particularly in view of the fact that it will come under the auspices of one of the better ministers of the cabinet. No government is all bad. There are some good ministers in the present cabinet. Certainly, the minister who is proposed to head this new department is in this category.

The matter of having the whole problem of pollution under one department has been promoted by my colleagues for approximately a year. Perhaps the government does sometimes pay attention to suggestions from the opposition. If so, we welcome that. It is ridiculous to have some aspects of pollution under the Minister of Fisheries and Forestry (Mr. Davis), some aspects under the Minister of Indian Affairs and Northern Development (Mr. Chrétien), some under the Minister of Transport (Mr. Jamieson) and some under the Minister of Energy, Mines and Resources (Mr. Greene). The federal government is very limited in what it can do with regard to

pollution. It is very gratifying to learn that the authority, and resulting co-ordination, will at least come under one minister, a very capable minister at that.

Having dealt with the baby, I now wish to deal with the bathwater part of the bill. The bathwater part of the bill deals with the creation of ministers of the state, Parliamentary Secretaries and the like.

Mr. Crouse: That is pretty dirty water.

Mr. Nesbitt: Our rules of Parliament are properly designed so that we cannot impute motives to individuals in this House. No one really knows what is going on inside someone else's head. Sometimes they do not know themselves. Knowing the background of this present session of Parliament, a reasonable person could only reach one conclusion. By means of this omnibus bill, the government is indirectly attempting to do something that it does not want to do directly. When the right hon. member for Prince Albert (Mr. Diefenbaker) was asked what the just society meant, he said "just for grits". The legislation before us amply justifies that remark.

As hon. members are aware, suggestions have been made at various times that the government might do something about increasing the salaries and allowances of members of this House. Because the suggestions were not adequately presented to the public, they met with considerable resistance. This is chiefly because the public have not been made aware of the expenses and costs faced by members of this House. This is one of the weaknesses of Information Canada. However, that is another matter. Apparently the government is not anxious to present legislation to increase members' salaries at the present time. Some members opposite asked what could be done to get government members off the hook, and to forget about the opposition members. This bill is evidence of what is happening.

This bill recommends the appointment of five additional ministers of state. As I understand the bill, they will receive an additional $15,000 a year. That is pretty good. At the present time there are 28 cabinet ministers. If this bill is passed, there will be 33. As far as I know, there is nothing to prevent the Prime Minister from appointing an additional number of ministers without portfolio who will receive an additional $7,500 per year. It is also suggested that there be as many Parliamentary Secretaries as ministers. They will receive an additional $4,000 per year. This is a very interesting arrangement. If and when this legislation is passed, there will be 33 ministers of state and ministers without portfolio, and 33 Parliamentary Secretaries for a total of 66. In addition, there are 25 committee chairmen.

At the moment, these committee chairmen do not receive an additional stipend, only a title. However, they may eventually receive more. According to what we hear, there is considerable stirring among the backbench government members. They can hardly be blamed because, at the time of the last election, many were persuaded to run on the basis that eventually there would be an increase in the stipend or something else would be forthcoming. It is easy to understand how this bill came about.

In the past, people have accused the Prime Minister of having socialist inclinations. I do not agree with that. In view of this legislation, the Prime Minister must be a prime promoter of good, old-fashioned capitalism and incentives. The creation of additional ministers of state, ministers without portfolio and Parliamentary Secretaries, is a wonderful way of keeping people under control. If a member of the government is a good boy and has some ability, he will be made a minister of state. If he is not quite as good, he might be made a minister without portfolio. If a member behaves and keeps his nose clean, he may become a Parliamentary Secretary. If he is bad, he may be made a committee chairman with no additional money, only a bit of honour. If he is really bad, he will be put in the sin bin and not receive anything extra. That is the way it goes. It is fairly easy to switch Parliamentary Secretaries on the excuse that everyone should have the opportunity of showing their wares. This is a good idea. It also brings in a good income.

Many people have the uneasy feeling that by introducing this bill the government is establishing a device to reward government members with extra income and at the same time ensuring that opposition members do not receive anything extra. This is a sort of Machiavellian way of doing things. It is to be expected. We do not know where this idea originated. Undoubtedly, there are members opposite who are capable of thinking of such things. It is nice for members to have titles and extra money. It is nice to have the title of a Privy Councillor so that when you leave this House you can put the initials P.C. after your name.

• (12:30 p.m.)

The Prime Minister was apparently a good student. He must have spent a good deal of time reading about a man who was a dictator in Haiti for a good many years, Henri Christophe, who met a very sad fate. He died with a silver bullet in his head. He had a very interesting way of dealing with things. He liked to have a lot of flatterers around him, but he did not have the money to pay them. Unlike the present government, he did not have the means of extracting money from the people. He gave all these people round him titles. He did not call them ministers of state, nothing as pedestrian as that. Mr. Speaker, I am not making this up, this is on the record. He called people the Duke and Duchess of Lemonade, the Count of Sugar Cane and the like. I am rather surprised that the Prime Minister, with his inventive mind, did not think of something like this for the members of this Parliament. He could easily have appointed somebody from London, Ontario as the Baron of Blizzard, or somebody from the Windsor or Sarnia area could have been given the title of Prince of Pollution or something of that type. I am surprised that he did not do this in view of his inventiveness and imagination.

Mr. McBride: What about the Marquis of Maple Syrup?

Mr. Nesbitt: That is a good suggestion from the hon. member for Renfrew-Lanark-Carleton (Mr. McBride) the Marquis of Maple Syrup. Perhaps he would like to have that title; it is nice and sugary. Perhaps my thinking is not as accurate as it might be in this regard, but in view of the evidence I do not see how anybody could come to any other reasonable conclusion.

Let us consider the remainder of this bill. We have dealt with the watery portions of the bill. There is a great deal of verbiage, a lot of shifting and shuffling of cabinet ministers and those areas falling within their jurisdictions. I think it is probably a good idea that the Minister of Energy, Mines and Resources (Mr. Greene) has been given responsibility for everything that could be sold. I think this is probably a good idea. I hope the Minister of Manpower and Immigration (Mr. Lang) will remain in the same position so we will not have people in manpower offices all around the country receiving advice from other ministers. Most of this shuffling and shifting that is going on reminds me of the old shell and pea game we used to see at county fairs; first you see the pea and then you don't.

The government has become worried about the image of the Prime Minister as created by the public relations people. It has now become apparent that, in fact, what has happened has been that, to paraphrase Mr. Marshall McLuhan, logic has become mystery. I should like to change that slightly and refer to the attitude of the government as being one in which shadow has become substance. The government is great in this field. It always presents what it intends to do by doctoring up these shadows and presenting them as substance. This is merely an example of shadow and substance being the same.

We have heard a great deal about participatory democracy. Much of this image has been created by Information Canada and other government agencies. The government does not accept suggestions from this side of the House. Members on the government side feel that no one on this side has any good ideas. The acceptance of a suggestion from this side seems to be considered by the government as a sign of weakness, unless there is a great deal of pressure accompanying the suggestion.

I am surprised that the government did not take advantage of the omnibus bill to accept and implement the idea of an ombudsman. As everyone in this House knows, this idea has worked very well in a number of other countries including Finland, Sweden, New Zealand and others. I understand it has worked very well in Alberta, and I am surprised the government has not accepted the idea. The more a central government becomes involved in various aspects of human life, the more it alienates citizens from government authority. An ombudsman would do a great deal to alleviate this situation.

I was looking over a number of files I have in my office. I discovered one in respect of a widow of a serviceman in the Royal Canadian Navy. He was killed two or three years ago as a result of the greatest possible negligence on the part of authorities on the ship on which he was serving. His widow was denied any account of what actually took place and she was unable to take appropriate action against the Crown. This woman had a number of children and there is apparently no remedy for her situation.

I have another file respecting an elderly lady in my own city who slipped on ice on the Post Office steps and was seriously injured. A representative of the Public Works Department who was employed there came around and told her that the ice should not have been on the steps. He said she had a valid complaint and she should put her complaint in the mail within a week. She accepted that advice and did so. The government of that day, which was the same party in power today, said she had not sent in a formal notice and was not entitled to any compensation.

I have another file in my hand in respect of a man in the Armed Forces who was badly injured while on duty. He tried to obtain compensation but the Department of National Defence refused to give him anything. I am sure every Member of Parliament could cite examples of this kind of thing. This is further evidence in support of the need for the appointment of an ombudsman. An ombudsman would get right to the seat of the difficulty, which results from the bureaucracy of the civil service, and would put a stop to the infernal policies of secrecy adopted by every branch of organized government.

Let me cite an example of this secrecy which came to light as a result of a letter I received two days ago from a constituent. He is a druggist in the city in which I live. I do not think he is an admirer of the present government but he said he was glad to find that the present government was very anxious to keep its correspondence clear, concise and untroubled. In an open letter which was enclosed in an envelope from the Department of National Health and Welfare was a sheet of paper with absolutely nothing on it. Apparently, this represents the policy of secrecy.

This policy of secrecy applies in many other ways. Perhaps by referring again to Haiti I can make my point. The government there was attempting to change some of the directives of Papa Doc Duvalier. This type of thing is taking place apparently in respect of government organizations or agencies such as Air Canada. We have heard evidence of the use of electronic devices to determine the efficiency of its employees in the two official languages. This is a rather shocking type of inspection.

When I first came into this House a Liberal government was in power. At that time that government attempted to use the same techniques in respect of post office employees. Television cameras were installed in the washrooms in the post office at Peterborough. I cannot imagine what the purpose was, but it was suggested that the government wanted to find out whether people were stealing things. After a great deal of pressure was applied, the government was forced to abandon this project. I certainly hope that this kind of behaviour and activity will cease forthwith.

Other examples of government secrecy have been apparent in this House in the last couple of days. My

hon. friends to my left are always asking for the production of papers. I do not recall more than one or two instances during this session of Parliament when these requests have been accepted. It certainly is not the custom of this government to give out information respecting memoranda between departments. Everyone knows that this sort of thing is taking place and that the government makes a fetish of secrecy. This reminds me of my association with the Department of External Affairs when junior foreign service officers made a great thing of placing a high degree of classification on all information. It seems to me it is very dangerous to treat everything as being secret. It is like the boy who cried wolf. Sometimes when you really want to keep something secret people treat it with carelessness, and this is the only result of trying to keep everything secret. I suggest some steps should have been taken by the government in this bill to try to prevent this complete hiding of all information, even of the most trivial and inconsequential nature, from the people of Canada, not to mention members of the opposition whose job it is, under our parliamentary system, to criticize the mistakes of government and offer solutions or alternative methods.

• (12:40 p.m.)

Another thing the government should have done but did not is this. We have had enough complaints, even complaints from members on the government side, about the Canadian Broadcasting Corporation. I do not want to elaborate on this matter; I have said enough about it in the House over the years. However, I do want to say that it is apparently the accepted pattern of behaviour in public affairs broadcasts made by the corporation for individuals to use these public facilities, which are made available to them at great cost to the public, as an instrument to try to brainwash the people of Canada by expressing their own particular political, personal and economic views.

I do not have to enlarge on this because every member of the House knows that this sort of thing is done regularly. Members on both sides of the House have been very anxious to put some kind of control on those using the facilities of that organization to promote their own political, personal and economic philosophies. Many things could be done, but one suggestion is that we establish a parliamentary committee, on which no party is dominant, which could entertain complaints made by the public and others and then make recommendations to the CBC.

Then, there is the related matter of controlling actions emanating from government commissions. Certainly, from what we have heard this week some control needs to be exercised over the Public Service Commission. The Unemployment Insurance Commission has been having a grand time during the last few years conducting a virtual reign of terror among various sections of the public, interpretating the act in its own way. The commission follows the pattern in, "Alice in Wonderland", being both judge and jury. This can be said not only of this commission but of most government commissions.

These commissions were set up with the very best of intentions. There was to be no political interference. Although I have heard suggestions in former days with regard to the public service, I have never found any great evidence of interference. All of these commissions and crown corporations like the CNR, Air Canada and so on, were set up on the understanding there was to be no political interference. But once you have created a Frankenstein monster, which in theory is responsible to Parliament as a whole, you in fact have created a monster that is responsible to no one.

As any hon. member who has been in this House for some time well knows, there is no way you can deal with the administration of these commissions, even though they are public emanations. The public pays $180 million a year to maintain the CBC. I am not suggesting that members of parliament should be allowed to meddle in the running of crown corporations, but I do suggest there should be some degree of control by the House in actual practice.

Perhaps an arrangement similar to what I have suggested for the CBC would be workable, but it is clear that something must be done to control the activities of some corporations. I think the government would be the first to welcome this suggestion, in view of the action taken by the Public Service Commission during the last few days—at least if what the government says is true. Only this morning the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) suggested in the House that something must be done to make crown corporations such as the CNR and Air Canada conform to public policy, particularly as it relates to unemployment at the present time. Only a few moments ago members on the government side gave a round of applause to the hon. member for that suggestion, indicating their support, and I give him my support as well.

Another step that could be taken would be the improvement of the committee system of Parliament. A new committee system was introduced a couple of years ago with high hopes. To be perfectly fair, a great many government members of these committees have exhibited a great deal of independence and have put forward some very good ideas. But what has happened to the committees' reports? I was a member of the transportation committee at the time the committee went on an expensive junket to look into Maritime transportation problems. But before the committee had returned to Ottawa the government had acted on some of the matters the committee was considering.

The defence committee took a two or three week trip to Cyprus, West Germany, Sweden, to hell's half acre one might say, and submitted what was almost an unanimous report on defence policy. Although this report was supported by most government members, again it was completely disregarded by the government. Then, suggestions were made by the veterans committee, and there was the notorious incident with the Standing Committee on Indian Affairs and Northern Development whose unanimous suggestion was ignored.

Now, everybody knows that no government can be expected to accept every report of every committee; that

would be clearly ridiculous. But it does seem that some arrangement should be made to oblige the government to pay some attention to reports made by committees, particularly unanimous reports. The government's attitude has a very bad effect on Parliament as a whole. Those members who work very hard on committees, and spend long hours devoting their attention to them, are treated like children playing house. If committees are merely a means of keeping people occupied around here, then this situation is not satisfactory.

Another matter that should have been dealt with in the bill, and which I will not deal with at length, is limiting the staff and expenses of cabinet ministers. Since we now have a cabinet that is about three times as big as it was previously, some limit should be placed on expenses. I remember some years ago one cabinet minister—I am not going to mention his name because that would not be proper, but if hon. members want to know they can see me afterwards privately—who had his office redecorated about four times in one year. He had a gold coloured rug on the floor, gold handles on his door and all that sort of thing. There is no excuse for this. If we are going to have a multiplicity of cabinet appointments, then something should be done to limit expenses.

My final suggestion relates to a most important matter. Members on both sides of the House have talked about our youth. Some say youth is bad, others say that it has never had a chance. We hear references to the generation gap and to other trite expressions. But no one to my knowledge ever does anything about youth. I asked a question about the plans for student employment this summer, and I was told that the government was formulating plans and getting around to dealing with that matter. Apparently responsibility has been divided between the Secretary of State (Mr. Pelletier) and the Minister of Manpower and Immigration (Mr. Lang). It is the old story of too many cooks not only spoiling the broth but not making any broth at all.

It seems to me that the government has missed a glorious opportunity here. I hope that before this bill receives second reading the government will consider withdrawing it and accepting some of the suggestions made by members on this side of the House. The government can then bring in a bill all of us can be proud of, one which would greatly assist future operations of this or any other government.

• (12:50 p.m.)

Therefore, I hope the government gives serious consideration to establishing a department of youth. I do not refer to some phony department that does not do anything but to one that would really turn its attention to two very important matters, one of which may well affect the basic future of Canada, especially during the next 25 to 30 years. To a certain degree, this suggestion had been adopted by a minister of the previous Liberal government, Miss LaMarsh. I was not always an admirer of Miss LaMarsh, but in this case she did something very good. During centennial year she arranged for young people from all provinces to travel across Canada. They were able to visit in other provinces for a few days. Nothing could have been more valuable in terms of the future of this country. Young people, for example from Quebec, had an opportunity to visit Saskatchewan and vice versa and young people from southern Ontario had an opportunity to visit Newfoundland. One thing is certain. Twenty-five years from now the people who now are in the age bracket between 12 and 20 will be running this country. If these people live in virtual isolation they might develop many built-in prejudices. They might have suspicions in respect of what people in other parts of Canada are trying to do against them. Such things are bound to arise in a country such as ours with its great distances.

One problem Canada has always had has involved the suspicion the English and French-speaking members of the population have had of one another. This is only natural. If people are unable to communicate there is bound to be suspicion. There is enough suspicion between the Maritimes and Ontario about economic problems and yet the people speak the same language. However, when we have the additional problem of language, the situation becomes worse. One way to get around this difficulty is by helping the young people move around the country so that they will have an opportunity to talk to each other. In my area we have had students from all parts of Canada visit us on an exchange basis. Nothing could be better for the future of our country. At the present time, when large numbers of high school and university students are out of work, it would be money well spent—instead of pouring it down the drain in respect of the CBC and some other institutions—to provide funds so that these young people could travel. I do not suggest that the arrangements should be elaborate. The young people I know would not want this.

The young people would like an opportunity to visit other parts of the country. If we could help them do this we would be performing a real service to our country and its future. The young people would be occupied in this way rather than being influenced by the rabble rousers who are not interested in what is good for the future of Canada. We know that last year many of our young people were on the highways without proper food and the other necessities. One can expect people to be resentful about this. This is a plan the government might consider implementing this summer, in view of the unemployment situation which faces our young people. They might not earn any money in this way but at least they would get a wonderful appreciation of what our country is and could be.

There is one final comment I should like to make. I believe that not only the young people of our country—and I get around every year to all the high schools in my area—but also many of the middle-aged and older people have no real idea how Parliament or our government operates. I do not know how we can expect the average citizen to respect this institution when he has little knowledge concerning how it works. So far as I am concerned, no adequate book has been written on the subject of how Parliament operates. Most people think

that members sit here all day listening to golden words or little pearls of wisdom. When a debate is in progress, such as is the case now, they say that hardly anyone is present. We all know the reasons for this, but the public does not know or does not understand. Frequently, we are compared to the United States. You can bet your bottom dollar every young person in the United States knows how the Congress works, how the committee system works and what the powers of the President are. Very few people in Canada have any idea how our system of government works.

Perhaps the government, with the co-operation of the provinces, the CBC, and through the use of pamphlets and the press could help our young people understand how our democratic parliamentary system works and why it is not necessary to go to the streets in order to put ideas across. So many people say that nobody pays any attention to them. They say the country is undemocratic and that they have to take to the streets. That idea is promoted by people in Canada for their own ends. Many people have no idea how parliamentary democracy works or how the cabinet system works. This situation must be changed if we expect the country to flourish in the future. If the educational system of our country, in the hands of the provinces, is not working in this regard something must be done to make it work. Our system of government has been worked out over the centuries. It is a very flexible system. Something must be done so that future Canadians will appreciate and understand it. If this is not done, then anything else that is done in this House will be of little value to the future of our country.

I hope the government will make some appropriate changes in this bill so that it might incorporate some of the suggestions which not only I have made but which other hon. members have made and probably will make within the next few days.

Mr. Gleave: Mr. Speaker, at this point may I call it one o'clock.

Mr. Deputy Speaker: If there is unanimous consent the Chair can call it one o'clock. Is there such consent?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being one o'clock, I leave the Chair to resume the same at 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

[*Translation*]

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

The Acting Speaker (Mr. Honey): Is the hon. member for Mercier rising on a question of privilege?

Mr. Boulanger: Yes, Mr. Speaker.

I wish to inform Your Honour that on the opposition side the clock shows three o'clock. I wonder whether it is because the opposition has nothing else to say but the fact remains that time is running fast on the opposition side. I would like this situation dealt with.

[*English*]

Mr. Forrestall: I want to make a correction, Mr. Speaker. I think, in all fairness, it must be pointed out that we are always ahead of the government.

Mr. Hogarth: When one considers who is going to speak this afternoon, I think we should call it five o'clock.

Mr. Deputy Speaker: Order, please.

Mr. Forrestall: I rise on a question of privilege, Mr. Speaker. If one assesses what has been accomplished with regard to the great plight we are in today, we might as well quit now.

Mr. Deputy Speaker: If hon. members on both sides of the House are not impelled to speak too long this afternoon, we might notice that clock for the purpose of adjournment.

Mr. A. P. Gleave (Saskatoon-Biggar): I am greatly cheered by the enthusiasm with which I am awaited.

Some hon. Members: Hear, hear!

Mr. Gleave: I really did not think that anyone on the government side would rise and ask the opposition to get going. After the going over they got this morning, I thought they would be very pleased if the opposition benches were not too well filled.

Mr. Walker: We are still waiting for something sensible.

Mr. Gleave: While you are waiting for something sensible, we are waiting for something constructive.

An hon. Member: You will just have to wait longer.

Mr. Gleave: Undoubtedly so. If this bill is passed, we will have a few extra ministers to help the cause along. I hope they will be more effective than the ones we have now.

The bill before us contains some proposals to deal with our environment. According to one press report, it is man's greed that is supposed to be the real culprit responsible for the damage that has been done to our environment. The article goes on to describe the Ottawa River as a flowing sewer which is at the service of a group of pulp companies. This may be so. I am willing to accept the description of it by the hon. member on the government side. What surprises me a little is that it took the government so long to make this finding, since the situation has been evident for a while now. Perhaps it took them that long also to find out that greed is necessary to the functioning of the economic system which the people on the government side so fondly

embrace. Why they are so surprised to see it evident in our economy passes my understanding.

• (2:10 p.m.)

The proliferation of departments and the appointment of extra ministers will not change that situation to any degree. A government which can view present unemployment with equanimity will scarcely solve the problem of unemployment by setting up another department. It will scarcely solve the problem I mentioned this morning, namely, that people in my constituency and indeed in other parts of Canada who are thrown out of work and apply for unemployment insurance payments to which they are entitled, find themselves waiting for six, seven or eight weeks before they get benefits.

What is really necessary is to have the departments presently responsible for these matters operate more effectively and efficiently. Sometimes I think the government has fallen prey to its own propaganda, to its own myths, to its own shibboleths. Cabinet ministers think the just society has really arrived. Perhaps if they would take a good sampling of public opinion instead of creating other departments they would do something about the reality in which they live.

I am concerned to some extent about the matter of environment. This bill refers to soil and water. I just wonder if the new minister will be able to work with those ministers who are responsible for agricultural matters in order to bring about a rational land conservation policy. Last spring we had a program which called for the summer fallowing of a great deal of acreage in western Canada. In fact, it forced farmers to summer fallow land for two years in succession. Mr. Speaker, you can scarcely conceive of a policy that would be more destructive of the basic soil on which our agricultural community depends. You can hardly conceive of a policy which would lead to more water and soil erosion than this type of program.

I wonder if the new minister in charge of improving the quality of the environment will be able to meet with his counterparts and take effective action to protect the environment. In view of the way our cities are expanding I wonder if policies can be developed which will enable feed lots and other agricultural enterprises to fit into the urban picture so that all the needs of our people will be met. Too often, large feed lots and other agricultural enterprises are situated close to cities. On occasion the urban spread encircles farms, and then people living within the urban area demand that things like livestock enterprises, which they find unpleasant, should no longer be carried on within that area. This is not the result of planning, and indicates that no decision has been made that this or that area is suitable for this or that purpose. This situation is the result of speculation, of the greed which is described in this article. I very much doubt that those who drew up this bill were much concerned about these sorts of situations which relate to land use.

[Mr. Gleave.]

I am reasonably sure that the government has been fairly ineffective in dealing with pollution. I recall the situation in Manitoba and the mercury pollution which resulted from discharges into the Saskatchewan River system. I am certainly not aware of the federal government acting in concert with Manitoba, Saskatchewan and Alberta to discuss the matter with chemical and other industrial companies. Instead of that happening, the province of Manitoba launched a law suit against pulp companies and chemical companies in the two other provinces. Unless a better approach is made to the pollution problem, the federal government will be ineffective. The incompetence, the do-nothing attitude of the federal government in this field is of real concern.

Then, there is the question of the trade war going on between the provinces, with the province of Manitoba having to launch action in the Supreme Court in order to establish the prerogatives which properly belong to the federal government in the matter of trade. Trade should flow freely across this land, but the federal government seems to have abandoned its responsibilities in this area.

We have one minister in charge of the Wheat Board, Mr. Speaker. He tries very hard to succeed. I have asked him about the problems that exist in connection with the marketing of rapeseed and futures prices. He has said that he will talk with the Grain Exchange. I believe he said he had a letter from the Exchange, but I have not seen it yet. He has said that he will try to correct the inequalities and inequities that exist in the futures market. Indeed, Mr. Speaker, there is some malfunctioning of the system. Today, I raised with him the matter of the spread between the Vancouver future and the future at Thunder Bay, which is some 46½ cents per bushel. Anyone who is knowledgeable of the Grain Exchange, or who is even an observer of the commodity exchanges, will know that this is not a good situation. In fact, it indicates a malfunction in the exchange and a distortion of the prices received by the producer and paid by the consumer, whether the consumer be an importer like Japan or a domestic consumer.

• (2:20 p.m.)

Yet, as I say, no effective action has been taken. Are we waiting until some outsider is able to move in to correct the situation? You can only go so far with camouflage and with going through the motions. It is all very well for posters put out by Information Canada to depict a couple of people practically naked, clad only with a couple of maple leaves. You can have your fun with things of this kind; but that is only play acting. That does not come to grips with the realities or the day to day decisions that the people of Canada are trying to make. You know, Mr. Speaker, the Prime Minister (Mr. Trudeau) may be enjoying himself very much riding an elephant, a tiger, a turtle, or whatever else he may find convenient for transportation, but those of us who remain here must live with our day to day problems. There is no indication that the government has become seized of the day to day problems relating to the slow-

down in the economy, a slowdown that is creating hardships in all walks of life in all parts of Canada. That slowdown was brought on, encouraged and fostered by the people who sit on the government side of the House.

What disturbs me for example is that the minister responsible for agriculture does not seem to know where the government is going or what its objectives are. Let me illustrate what I mean. We are proposing to encourage the production of forage crops in western Canada. We are proposing to increase, through this method, the size of cattle herds and the production of livestock; yet, at the same time, we are encouraging the increased importation of meat from other countries. I am not one who says that we ought to draw a solid circle around Canada and prevent the importation into Canada of food products. That is not a practical suggestion. What I am saying is that the farmers of Canada have a right to know what the government's policy is. They have a right to know what the limitations of that policy are and, before investing millions of dollars in growing forage crops in western Canada and in increasing livestock production in Canada, they have a right to know what the policy of the government is with regard to importations of meat. Then, they can plan and govern themselves accordingly. This they do not know. All we hear when this point is raised are remarks such as, "Well, we stopped some of this importation before, and we may do so again." That sort of policy is at variance with the policies of other countries.

The United States does not absolutely block the entry of meat coming from other countries. That country has established quotas for meat coming from all countries except Canada. It has established such a policy and its producers have a working knowledge of that policy. They know where they are going. That sort of thing needs to be done here and it has not been done. The Government cannot get away with its present careless and ill-defined policies. The Prime Minister cannot get away merely by shrugging his shoulders and saying, "It is not my job to sell wheat." He did not need to tell us that. We knew that. Nevertheless, it is his job, and the job of those who are part of his government, to outline the policies under which we operate.

Under this bill we shall be able to do either very little in regard to the environment or a great deal. All will depend on the thrust and determination of the government of the day. What is done will depend on how determined governments will be to improve the quality of life. It will depend on how determined they are to make this economy work instead of fiddling while Rome burns.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to express my views on this bill and, at the same time, express my concern about one important aspect of the bill. I am especially concerned about its effect on the Atlantic provinces and, as well, on British Columbia and the great lakes areas of Canada. I am concerned, Mr. Speaker, over the downgrading, as a consequence of the passage of this bill, of the Department of Fisheries and Forestry.

An hon. Member: Hear, hear!

Mr. McGrath: I think, Sir, that that is a cause for legitimate concern. I am sure that if the President of the Treasury Board (Mr. Drury) represented a constituency in the Atlantic provinces, he would probably share that concern and not sit complacently and smugly listening, as he does today.

An hon. Member: He does that well.

Mr. McGrath: That is exactly what this bill does. Notwithstanding the assurances and reassurances that the minister has given us, the evidence shows clearly that the department of fisheries is to go. After this bill becomes law, that department will no longer carry out its very important functions, as it has been doing since Confederation. I was especially concerned and, indeed, surprised that the Minister of Fisheries and Forestry (Mr. Davis) said absolutely nothing in his speech to allay this fear or to reassure us. As a matter of fact, to put it mildly, I was shocked when reading the minister's speech to find no reference whatsoever to the department of fisheries or to the future responsibilities with regard to fisheries under the new set up. I am not for a moment suggesting, Mr. Speaker, that this was deliberate. I am suggesting, nevertheless, that something alarming is happening in this area. Since the new department to be formed is to be given all these new areas of responsibility, it is only natural that the age old responsibilities, the traditional responsibilities, of the department of fisheries relating to the management and well-being of the fishing industry of this country should be downgraded and "get lost in the shuffle".

As I say, I do not think this is being done deliberately; nevertheless, the government is doing that. This omnibus bill does precisely that. It will do away with the department of fisheries, that department which is one of the oldest, if not the oldest, of departments in the federal government. Certainly, it has existed since Confederation. During the course of his speech the minister did not refer once to the importance of the fisheries to the Canadian economy, and especially to the importance of the fishing industry to the Atlantic provinces and British Columbia. That industry, Mr. Speaker, in 1967 produced millions and millions of dollars for the Canadian economy. That industry in this country employs directly over 90,000 Canadians.

• (2:30 p.m.)

I wish to put some statistics on the record in order to illustrate how important this industry is to the Atlantic provinces. In the province of Newfoundland, 24,000 people are directly employed in the fishing industry out of a total work force of 130,000. In the three Maritime provinces, 31,000 people are directly employed in the fishing industry out of a total work force of 466,000. These figures are taken from 1968 statistics compiled by the Department of Fisheries and Forestry. I put them on the record to illustrate how important this industry is, not only to the province of Newfoundland, but to all the Atlantic provinces of Canada. In the four Atlantic prov-

inces, over 55,000 Canadians are directly employed in the fishing industry. This fact becomes even more impressive if we use the multiplier factor.

In terms of its importance to our balance of payments position, Canada ranks third in the world as an exporter of fish. The total value of our exports of fish in 1968 was in excess of $227 million. This has been increasing each year in terms of its value on the export market. Most of our exports are to the American market which is very important to Canada. Although Canada is one of the largest fish-producing nations in the world, this fact is ignored in the over-all planning of this new department. It has, I regret to say, been ignored by the Minister of Fisheries and Forestry. He is a good minister. He has done many good things for the fishing industry and has introduced many innovations. He has modernized this department.

Some hon. Members: Hear, hear?

Mr. McGrath: I have no hesitation in saying that. However, this is all the more regrettable because in his zeal and determination to form this new department, which will include many new responsibilities, the minister has downgraded the fishing industry and its importance to the over-all economy of this country. The industry does not merit one word in the name of the new department. It is not even mentioned in the name of the bill. We have cause for genuine, legitimate concern.

I listened to my colleague with interest when he expressed his concern during the course of this debate. When the minister was asked what would become of the Department of Fisheries and Forestry when this bill becomes law, he replied, and I will paraphrase, that it will continue as a service in the new department in the same way as the forestry and Canadian wildlife services. I do not want to be unfair to the minister. He is not here at the present time. However, this statement can be found at page 2832 of *Hansard* for January 27. The minister stated that the department of fisheries will no longer exist as a department. As he termed it, the Canadian fisheries service of the new department of the environment will rank in terms of importance with the Canadian wildlife service and the Canadian forest service.

The Canadian wildlife service serves a very useful function in the preservation and management of our wild life. The forestry service carries out very useful and efficient work in the field of experimentation in an attempt to combat various diseases in our forests. Neither of the services directly contribute to the Canadian economy to the same extent as the fisheries industry, and I am speaking in the federal context, especially in the Atlantic provinces and the province of British Columbia. I feel that we have cause for concern in the overall context of federal responsibility.

I notice that the appointment of the new deputy minister has already been announced. I understand that he is a professional engineer from Montreal. This man does not have the remotest connection, nor has he ever been remotely connected, with the fishing industry. This is more evidence of why we are concerned about the downgrading of the fishing industry and the fisheries department in this bill. The department of fisheries is to be a service within the new department similar to the wildlife service. It will be presided over by an assistant deputy minister. I sincerely ask, what is wrong with having two deputy ministers in the department? I made this suggestion to the minister. I will put this suggestion in the form of an amendment at the appropriate time.

If there were two deputy ministers, one could be responsible for the over-all management of our fisheries department and the other could have over-all responsibility for the other areas in the new department. In this way, we would ensure that the responsibilities of Parliament in the areas of management, development and exploitation of Canada's fisheries would receive the attention it so justly deserves. The new deputy minister has been appointed, notwithstanding the fact that this bill is still before the House. I would have at least expected the government to wait the few days necessary for this bill to go through the legislative process, be enacted and become law before announcing the appointment of the new deputy minister.

I wish to associate myself with the remarks of the hon. member for South Shore (Mr. Crouse) in paying tribute to the retiring Deputy Minister of Fisheries and Forestry, Dr. Needler. I am happy to note that he will continue to play a role in the department and that he will have a special responsibility in so far as the fishing industry and our international negotiations with respect to conservation are concerned.

There are reasons for concern. They are manifest in the minister's speech and in this bill. I say to the approximately 4,000 Canadians who are presently employed by the Department of Fisheries and Forestry that they better get on the bandwagon or else they will be left out. They better acquaint themselves with the new responsibilities of the minister in the area of pollution and pollution control. As far as this government is concerned, there is not much future in the fishing industry, although the facts and statistics I have put before the House certainly contradict that statement. I do not for a moment want to take anything away from the importance of having effective measures to combat pollution. We all know the seriousness of pollution. We know of the critical stage we have arrived at in this country and in this world. We have polluted our environment to the point at which certain species of wildlife are under threat of extinction. We know that the very survival of man is at stake. Let me repeat that it is necessary and essential that we adopt effective measures of control.

• (2:40 p.m.)

It is logical that we give this responsibility to the Minister of Fisheries and Forestry. He is obviously the man who should have the responsibility for combating pollution. That minister is responsible in respect of our fisheries, and this is an area which is more directly affected by pollution than perhaps any other in Canada.

This fact was recognized long before pollution became a popular subject. It was recognized when the Fisheries Act was drawn up many years ago. At that time, adequate provisions were written into the act to combat pollution. Unfortunately, for reasons which have not been sufficiently or adequately explained, these provisions in the Fisheries Act have never been enforced.

When we were amending the Fisheries Act and examining the Canada Water Act we could not find a rational or logical explanation why various ministers of the department of fisheries down through the years did not see fit to enforce the very stringent and strict provisions of this act. We put forward the suggestion when the fisheries Act was last before the House that, in effect, there was no need for a Canada Water Act if the pollution provisions of the Fisheries Act were enforced. The federal government already had the power at the time Parliament enacted the Canada Water Act to combat pollution. The Fisheries Act contains provisions even to this day which, had they been enforced, would have prevented a great deal of the pollution which now exists. The Canada Water Act is much like a toothless tiger. It is ineffective. I do not want to repeat the arguments presented at the time this bill was presented to the House, but it is ineffective to a large degree because it depends upon provincial and municipal initiative. The provinces and municipalities in this country will be motivated and guided by economic considerations. These considerations must be favourable to them before water management areas in Canada are set up to combat pollution.

The Minister of Fisheries, who will inherit jurisdiction for the Canada Water Act as a legacy under this bill is now saying these things, too. But, Mr. Speaker, he is a little late. Let me quote what he is reported as having said as it appears in the Sunday *Express* of January 3, 1971 under the headline "Whiz-kid Davis Defends Mother Nature". This minister is our knight on a white charger and is reported as follows:

> Davis feels the poison chemicals which can kill in even small quantities should be the first target of government attack, and to ban them he'll use the Canada Fisheries Act, not the Canada Water Act which was so recently passed by parliament.
>
> "The Canada Water Act requires federal-provincial-municipal co-operation to work. The law is already there in the Canada Fisheries Act to force clean-ups, and industry is being fairly co-operative"—

We can draw some consolation from the fact the minister is now saying what we said at the time the Canada Water Act was before the House. We can draw precious little consolation from the fact that the time spent considering the Canada Water Act, its preparation, the debate on it and the exhaustive and extensive examination by the committee must be written off as a waste of time. The water act is not yet operative. It has no past, and if what the minister says is an indication, it has no future.

We are asking that this new department created by this omnibus bill now before the House reflect in its name the importance of the fishing industry to the Canadian economy. What is wrong with naming the new department the department of fisheries and the environment? In that way we might expect the department to live up to its obligations in so far as the fishing industry is concerned. As things now stand, there is a risk that the fishing industry in Canada, which is a responsibility of this Parliament, will lose something in the shuffle.

I suggest that perhaps we should make provision for the appointment of two deputy ministers. I think there is precedent for this suggestion in that we have a deputy minister of health and a deputy minister of welfare within the one department. In the interest of preserving this industry upon which Atlantic Canada is so dependent, I should like to know what is wrong with the suggestion that the word "fisheries" be incorporated in the name of the act. In that way, the federal government's responsibility under our constitution, as recognized at the time of confederation, would be assured. Perhaps we could appoint two special deputy ministers, one responsible for fishing and the other responsible for the environment.

There are other subjects I should like to deal with if time permitted, but I realize a number of other members want to participate in this debate. Members from the Atlantic provinces have some concern about conservation and the establishment of agreements which hopefully can be negotiated in order to provide some kind of agreement on a sustained yield basis in respect of Atlantic fisheries.

We know that negotiations are taking place at this time and that there will be a meeting of the International Commission on North Atlantic Fisheries. I am told that this will be a subject on the agenda of that meeting. It is my view that the Canadian fisheries industry should be adequately protected by meaningful international agreements which will hopefully be worked out by the International Commission on North Atlantic Fisheries when it meets in May of this year.

This morning I read of the formation of a committee in the United States in respect of the preservation of the Atlantic salmon. We have said many times in this House to the Minister of Fisheries and the Secretary of State for External Affairs (Mr. Sharp) that we are concerned about the future of the Atlantic salmon. It is being threatened as a species by the exploitation of one of the member countries, namely, Denmark. It is a well-known fact that within the last ten years Denmark has discovered the North Atlantic salmon feeding grounds. These salmon are hatched in Canadian rivers and protected by Canadian laws. Millions of dollars have been spent to preserve this species of fish, not only as a source of food but as sport fish as well. If the Danes continue to exploit this fish off Greenland at the present rate, then the Atlantic salmon cannot possibly survive as a species beyond the next ten years.

• (2:50 p.m.)

A group of prominent people in the sport fishing industry in the United States recently took some initiative in this connection, and I salute them for it. I only hope a similar initiative will be taken in Canada. In particular, I

hope the government will tell Denmark in the strongest possible diplomatic language that Canada takes a very dim view of its activities in the over exploitation of Atlantic salmon; that if Denmark does not agree to preserve the species under some sustained yield system, Canada will threaten economic sanctions against them until they do. I have made this suggestion before, as has the hon. member for South Shore, and I now make it again.

We wonder what will become of these urgent and pressing problems faced by the fishing industry once this bill passes the House and this new department of the environment is set up. For our part, we will continue to express our concern in the only way open to us, namely by moving appropriate amendments to the bill when it comes before the committee of the whole House.

Before I take my seat, I want to make one more point. As a member of parliament, I resent very strongly the government putting this bill before the House in its present form. I find there are provisions in the bill that I can support wholeheartedly. On the other hand, I find provisions to which I am very much opposed. Yet, I must take the whole package or I must reject the whole package.

I contend that Members of Parliament should not be placed in this position. This bill deals with many unrelated subjects. I have read Your Honour's ruling and the arguments preceding it, and I acknowledge that there are precedents. But I submit there is no precedent which supports an omnibus bill of this sort that embodies so many different, unrelated subjects, from additional Parliamentary Secretaries to pensions, from setting up a new department of the environment to creating new ministers of state. Members of Parliament should not be placed in this position.

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, this bill has been referred to on a great many occasions as an omnibus bill, a government catch-all or a new bag of tricks. The descriptive part of the bill indicates that this is an act respecting the organization of the government of Canada and matters related or incidental thereto. Having read the bill, and also the speech made by the President of the Treasury Board (Mr. Drury), it appears to me to cover the entire waterfront of the government activities. Items dealing with new ministers and Parliamentary Secretaries appear to me to be a backdoor method of increasing the salaries of many of the more vociferous backbenchers on the government side. The fact that during this debate there has been better attendance by these hon. members is an indication that hope is springing eternal in the Grit breasts.

Well, Mr. Speaker, why not? The extra $4,000, even for two years—which of late has been the prescribed life of most Parliamentary Secretaries—would add an extra $2,000 to the yearly salary of a great many government members. A great many of them could be the recipients of this extra income during the lifetime of a Parliament. After all the guff that came out after the announcement that Members of Parliament might get an increase in salary, this looks to me like a backdoor method of giving a reward to the righteous, so to speak. It is also a method of holding out a carrot before the other poor rabbits as an indication that if they behave themselves they, too, may become Parliamentary Secretaries. A former outspoken cabinet minister in the Liberal party many years ago said: "If we want to get away with it, who's going to stop us?" The same arrogant air of ruling by divine right has once again permeated the front benches of the government.

A few years ago this House was faced with another omnibus bill, the one that created our over-burdened committee system. The failure of that particular scheme as evidenced by the present breakdown of our committee system, cannot help but make this House and the nation skeptical of the effectiveness of this and other schemes. For example, yesterday the committee chairmen and their deputies in both the Standing Committee on Consumer and Corporate Affairs and the Standing Committee on Health, Welfare and Social Affairs were not prepared to discuss a bill which the Minister of Consumer and Corporate Affairs (Mr. Basford) has stated is one of the most important to come before this Parliament this year. The minister was in the House making a speech and had not troubled to find out whether the committee was sitting. As a result the committee had to wait 15 or 20 minutes, wasting the time of members and the witnesses who were to appear. This is just one example of the ineffectiveness of our committee system.

However, most of my remarks will be related to the establishment of a department to be known as the department of the environment. This is a department that members of this party have for many years advocated. Last year when we were discussing the water bill, time after time, both in committee and in the House, members of the official opposition suggested the creation of such a department. I think all the environmental problems that are so prevalent in this country should be placed under the jurisdiction of one minister.

I should like to say that the minister who is going to head this department is, in my estimation, one of the most far-sighted and able ministers. He is probably the one most capable of grappling with this particular question. This is the most redeeming part of this legislation. I understand, of course, the problems facing members from the Maritime provinces, where fishing is such an important part of the economy. These members have indicated that they fear for the fishing industry of Canada if that department is downgraded.

I was a little disturbed when the minister who is going to head this department said in the House the other day that we in Canada must make sacrifices, especially on the economic front, if we want a better world than we have now. It almost seems as if the minister does not feel the time has now come to take action to deal with many of our environmental problems.

Last Friday in this House the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney), when speaking on a bill that had to do with setting aside a national

pollution awareness week, had this to say, as reported at page 2690 of *Hansard*:

—the desire to pinpoint the significance of pollution in all ways, the significance of the cost of pollution to our environment and to our society, the benefits of controlling and reversing it, and the cost that we must pay in achieving that benefit, must all be made known to the public before emotional steps are taken.

• (3:00 p.m.)

Mr. Speaker, this was brought to the fore by the Prime Minister (Mr. Trudeau). I refer to an article in the Windsor *Star* for February 27, 1970, under the heading "Pollution, water: Is Trudeau serious?" I shall read a few excerpts from this editorial to indicate the point I wish to make:

On Wednesday a sizeable audience of Windsor citizens heard health and welfare minister John Munro speak on the necessity for an all-out fight against all forms of pollution. There was even the promise of a clean air act to go with the recently passed Canada Water Act.

All very dandy.

Except that Mr. Munro's boss, Prime Minister Pierre Elliott Trudeau, had downgraded current concern about pollution as just another "kick" on Tuesday night when taping a television show with Carleton University students.

This is just another kick people are taking. The article continues:

The PM's remark must also make resources minister J. J. Greene feel a little sick about the Canada Water Act and the considerable trouble Greene has gone to in justifying its necessity when the majority of provinces would rather the federal government left the area of water pollution well enough alone.

Joe Greene was not over having the rug pulled out from under him by the swinging bossman. Mr. Greene had also just made his most unequivocating statement about Canada not selling its water to the United States in the House of Commons.

Lo and behold, there was Mr. Trudeau telling the student audience at the television taping that since Canada can't use all its water it shouldn't be possessive about it. We, of course, should consider selling our resources "for good, hard cash" said the Prime Minister.

This is an indication to me of the feeling of the government at the present time. They hope pollution is something that will go away. It is an indication that the government does not have any immediate plans to control pollution. They fear that the majority of Canadians do not understand. This would seem to be an insult to the credibility of the Canadian people. There have been sit-ins, think-tanks, symposiums and pollution probes at every level of government and its agencies. In fact, the other day when someone spoke of the Ottawa River it was suggested that we have another survey. We have had so many surveys that it is now time for action. Studies by magazines, periodicals, radio and television have all brought home to the public the extremely critical situation we face in connection with our environment. One of the principles of true conservation is that each generation passes on to the next an environment as close as possible to the one he received.

We brag about our affluent society. We certainly have done a dandy job of ruining our environment. Do we have to wait until disease runs rampant throughout our land because of our inability to grapple with our wastes? Do we have to wait until babies die from air pollution before we do something about our air? Are we to find ourselves running short of arable land, pure water and clear air until one day we find ourselves knee deep in garbage?

One of my first speeches in this House was in the field of conservation. I have always been happy and proud of the fact that one of the first conservation programs was established in my area. I refer to the Grand River conservation program. The main physical structures were built within the confines of my riding. However, the authority that has the responsibility for administering this scheme found itself in difficulty because federal assistance was cut off last year by the repeal of the Water Conservation Assistance Act when the water bill was passed.

The previous act contained a formula whereby the three levels of government participated in projects of this type in the ratio of 37½ per cent by the federal government, 37½ per cent by the provincial government and 25 per cent by the municipalities involved. In private conversations I have had with the minister he indicated that he would consider some type of assistance for a water management plan on the Grand River, but until he indicates whether a new formula will be presented, or to what extent the federal government will participate, it is difficult for the responsible body to carry forward its projected plans.

[*Translation*]

Mr. Boulanger: Mr. Speaker, on a point of order.

Mr. Speaker: Order. The hon. member seeks the floor on a point of order.

Mr. Boulanger: Mr. Speaker, I would remind you that I pointed out to Your Honor that the clock on the opposition side read 3 when it was actually two o'clock. It now reads 4 p.m.

I was then told that we would go by that clock and proceed to private members' business when it read four o'clock. If Your Honor is ready to make a ruling, please note that the clock in front of me shows that it is now four.

Some hon. Members: Four o'clock.

Mr. Boulanger: The members are ready to call it four o'clock.

[*English*]

Mr. Speaker: Order, please. I believe the majority of the clocks show it is still not four o'clock.

Mr. Howe: Mr. Speaker, this situation would appear to be almost the same as some of the other things run by the government; two are running and one has stopped.

Mr. Boulanger: We are not making progress, anyway.

Mr. Harkness: The clocks are like the government—running out of order.

Mr. Howe: When I attended football games we had a cheer which went like this: Feed them oats, feed them hay, feed them anything but stop that play.

I see no reason why the water act of last year cannot be amended to include the original formula. The Grand River Conservation Commission has plans which, if implemented, could create hundreds of jobs and could be of tremendous assistance to the communities in the area by improving the quality and flow of water so necessary for continued development.

This is only one phase in the improvement of our environment. I see many areas in which government action could be taken by various departments toward improving our environment. For instance, our Minister of Transport (Mr. Jamieson) has laid great emphasis on the necessity of equipping cars with gadgets that would reduce the amount of deleterious material coming from exhausts. The areas where this is most prevalent are the centres of our cities. Many municipalities have installed equipment to measure the pollution content of these areas, and the readings vary to a frightening degree. Recently in a Canada-Japan newsletter an article appeared entitled, "Menace of Pollution Spurs Search for Practical Electric Car". Periodicals and magazines have emphasized the necessity of this type of pollution control, and universities participated in a marathon race across the United States emphasizing the importance of so-called clean car exhaust systems.

The Minister of Consumer and Corporate Affairs has made a great issue of the new packaging bill he has brought forward. But has he brought forward a container or bottle to hold hazardous products which have brought into jeopardy the lives of so many children in Canada? The latest figures show there were 50,000 last year. What has the minister done with regard to throw-away, non-returnable bottles which have become such a blot on the highways and the streets of our towns and cities? Mr. Speaker, I do not think we have to wait for the people of Canada to become emotionally aroused before we take very rapid and vital steps to eliminate pollution.

• (3:10 p.m.)

Our government is twisting and turning, trying to find ways and means of grappling with the problem of unemployment which finds hundreds of thousands of Canadians in a hopeless, helpless, almost frantic situation as they face not only days and weeks but in some cases years with no hope of steady employment. I have in my hand two or three speeches that were made by the Minister of Fisheries and Forestry (Mr. Davis). I know he is very interested in these projects and in the solution of this problem. One of his speeches is entitled, "Conservation: a dynamic concept". What we need is a man with dynamic concepts and ideas.

Some hon. Members: Hear, hear!

Mr. Woolliams: Yes, we cannot have stagnation.

Mr. Howe: Another speech which the minister made is entitled, "Recycling and recovery: the twin keys to environmental control". Both of these speeches contain a great many ideas regarding ways and means of improving our pollution problem in Canada. Recycling and recovery is something in which I have become very interested. I have here a book entitled, "Garbage as you like it. A plan to stop pollution by using our nation's wastes". It is a very interesting book, well written, in simple language, but it gives some idea of methods used in other parts of the world to dispose of garbage, to recycle it and to segregate it. Garbage can be composted first and then sold as a fertilizer. Paper could be reclaimed and so could metal, to be used in factories to carry on our industrial production.

A few years ago "bold" and "imaginative" were used as a catch-phrase by the Liberal government. If my memory serves me correctly, the government did not prove to be very bold or imaginative. We can survive a monetary crack-up. We can survive a social revolution. We cannot survive the destruction of our environment. It will take bold and imaginative planning, such as the creation of satellite cities on unproductive land rather than the creation of asphalt deserts on our good, arable land. There has been a historic tradition in the Liberal Party of suggestions of this kind. I remember a speech made by a former Prime Minister of this nation, Right Hon. Mackenzie King, shortly after the last war in which he said this would have to be done. At that time they were not sure that wars were over. The same is true today. We know how vulnerable our cities would be if war broke out.

The former minister in charge of housing, who was previously the Minister of National Defence, also had the idea of setting up satellite cities. These are bold and imaginative ideas to move people from crowded areas of the cities to land that is unproductive and where cities could be built and developed. It will take bold and imaginative ideas such as the development of a recycling program for the water in our homes, apartments and places of business.

A couple of years ago there was a great deal of fanfare concerning the building of a house in Rockcliffe where the water was to be recycled. I telephoned the National Research Council recently and was told that this project had been wrapped up because of a couple of problems that arose. If they can recycle the water in swimming pools used by our children in schools, why cannot they recycle the water used in our homes, apartments and other buildings? I maintain that we are not doing enough research in this area. Solutions to these problems will have to be found if we are to survive. Many cities have tried different ways and means, but so many of them result in just moving the problem from one place to another. In other words, incineration fills the area with tons and tons of pollutants which filter down, sometimes not on the city but on some place in the area.

It would seem that some plans have proved effective; they are described in this book. Means have been found of segregating different types of garbage and composting others. Many cities are coming to grips with the problem. I know that in my area, in the last year several municipalities have been having difficulty disposing of

their garbage and have united to buy land on which it could be disposed. Further research might indicate means whereby a number of smaller communities could form a composting unit where their garbage could be disposed of in one area. These are problems which have to be solved if we are to avoid destroying our environment.

I think the government should explore the possibility of providing assistance for communities which face such problems. I know that through the National Housing Act assistance can be provided to communities for setting up sewage disposal programs, but I think we have to delve into the problem deeper if we are to accomplish what must be accomplished in order to survive. Many projects that are not completely self-supporting have been helped financially through the sale of fertilizer, paper and metal.

It appears that the Prime Minister (Mr. Trudeau) has the idea that pollution is not very important in the minds of the people of Canada. I do not think it is necessary to await public approval before taking the bold and imaginative steps which I have suggested to overcome unemployment and many of the environmental problems which our affluent society has created.

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I intend to speak briefly on only one or two of the matters dealt with in this bill. As a matter of fact, if one were to deal with all the proposals in the bill, the limit of 40 minutes on speeches at this stage in our proceedings would have to be stretched. However, the evils of an omnibus bill of this kind have been dealt with by my colleagues and I will only add my protests to theirs against this sort of measure being introduced. This measure is called, "an act respecting the organization of the government of Canada and matters related or incidental thereto". The bill might much more properly be entitled, "an act to provide jobs for the boys". That is essentially what it is.

In my opinion, the most important provision in the bill is the one which provides for a considerable increase in members of the cabinet. Up to five ministers of state will have specific jobs to perform. Several other ministers of state will not have specific jobs to perform but will assist the ministers who presently have departments. There will also be ministers without portfolio. At present there are 28 members in the cabinet. With the additions proposed under this bill, there may be anything up to 10, 12 or 15 more. This would make the biggest cabinet of any country in the world.

Our cabinet is already too big. We have 28 ministers looking after the affairs of some 21½ million people. Immediately to the south of us is a country with 10 times our population. They have 12 cabinet members, plus the President and the Vice-President—14 people to look after the affairs of a population of some 220 million—ten times ours—and with a great many more international commitments and governmental business of all kinds than we have. It is an absolutely ridiculous situation for us to have a cabinet of 28 people while the United States cabinet numbers 14.

• (3:20 p.m.)

Therefore, Mr. Speaker, rather than increasing the number of cabinet ministers, if this were a reasonable bill we would be cutting the number down to at least half. As a matter of fact, I do not know how they all find a place to sit in the cabinet chamber in the East Block. There is not room for 28 chairs around the cabinet table, so a considerable number of them must sit back in the corner like Little Jack Horner.

Some hon. Members: Where is Jack?

Mr. Harkness: There just is not room around the table for them. There may be room in the temporary cabinet chamber, which used to be used for the Progressive Conservative caucus, on the third floor. So long as they use small chairs, they may possibly squeeze 28 around that table, but certainly if the size of the cabinet is increased there would not be room for all the ministers. Somebody says that maybe the cabinet will be run on the roster system. Certainly something will have to be done along that line.

If you examine this measure, Mr. Speaker, you will see that it is one of the most ridiculous proposals ever put before the House. It is a complete waste of public funds. Rather than increasing efficiency in government, it is bound to decrease efficiency. A cabinet of 28 is too large. A cabinet of 28 cannot operate efficiently. If you are to have a dictatorial form of government with a Prime Minister and two or three of his close colleagues running it, it does not matter if you have a cabinet of 300. But if you are to have cabinet government, which I think is the best form of government, you need a cabinet of manageable proportions—and a 28-member cabinet is not that. Increase the size of the cabinet by 10 or 15 ministers and it becomes a completely hopeless situation. We will not have cabinet government; we will have a dictatorial form of government with the Prime Minister and two or three of his cronies running it and the rest of the cabinet being more or less nonentities. I protest as strongly as I can against an innovation of this kind.

If the government was intent on introducing effective cabinet reorganization, it should have looked at the British system where there is a cabinet of anywhere from 12 to 15 ministers, with a number of junior ministers who look after administrative functions of various kinds. To add another 10 or 15 people to a 28-member cabinet is complete nonsense; it is making a mockery of the cabinet system of government. What it really amounts to is making jobs for the boys, to give more of the members who sit on the government side official jobs, higher salaries and more staff—things of that sort—to make them feel more important and more satisfied. This is being done at a terrific cost to the Canadian population not only in dollars but in efficiency. Instead of government being more efficient, it will be less efficient under this type of system. And how much more it will cost, God only knows!

When I was a member of the cabinet, ministers had one executive assistant. Now ministers have three, four

or five executive assistants. What, in God's name, all these people do I don't know, except waste the people's money. That is what they do, waste the people's money and put out propaganda on behalf of their ministers and the government. As far as making any contribution to the government of Canada is concerned or to the welfare of the Canadian people, theirs is negative rather than positive.

Somewhat the same criticism applies so far as Parliamentary Secretaries are concerned. The Parliamentary Secretary is a very anomalous animal. He is something like the mule in the animal kingdom; he has no pride of ancestry and no hope of posterity. I think it was a great mistake to bring in Parliamentary Secretaries of the nature we have in this country. A Parliamentary Secretary has no authority whatsoever. He cannot sign a single document. When I had a Parliamentary Secretary and on some occasions two I did not know what to do with them half the time because they had no authority. You could not give them many jobs because there was no legal basis for their carrying out the jobs. They could not sign anything; they could not really make any decisions. So far as many of the proposed new ministers are concerned, the only difference between them and Parliamentary Secretaries will be that they will have authority to sign documents and do things along that line. This business of creating more Parliamentary Secretaries, with their present absence of power and thus their inability to do an effective job in a ministry, again is a mistake.

As I said a few minutes ago, Mr. Speaker, if we want to improve the situation we should look at the British system where they have a cabinet with a limited number of people, junior ministers and Parliamentary Secretaries who have some authority. For these reasons I think this bill should be defeated. The government should withdraw the bill and introduce something reasonable, something which will be more effective and more efficient rather than something, as is proposed here, which will be less effective and less efficient than the set-up we now have —and God knows that has been bad enough!

Some hon. Members: Hear, hear!

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, it is difficult to follow a former cabinet member because he has personal knowledge of how the system works and therefore has the authority to make valid criticism. He has knowledge of what went on when he was a minister. He knows what Parliamentary Secretaries can do, and he certainly knows that there is no use appointing another 15 or 16 of them. He knows what a minister can do and therefore he knows how many ministers we should have. His points are very well taken.

[*Translation*]

Mr. Speaker, the Parliamentary Secretary to the Minister of Fisheries and Forestry (Mr. Corbin) also made a speech last night—

An hon. Member: Yes, a very interesting one.

Mr. Comeau: Exactly. I listened to him carefully. He said that among other things of interest to him was that he might become the first Parliamentary Secretary of the new Department of the Environment. He dealt with the question of the new department and quoted instances proving that industry is now paying more attention to the fight against pollution. No doubt that industry will pay attention to it. If industry is compelled to pay the cost of fighting pollution, taxpayers will still have to pay, for prices generally will no doubt increase. It is true that industry can take advantage of some circumstances and innovate—if I may use this word—however, the main consideration is still that to fight pollution money is needed.

• (3:30 p.m.)

[*English*]

I do not intend to deal with every aspect of the bill because I am not knowledgeable enough to do so. However, I wish to speak about the creation of a department of the environment. Really, there are too many items in this bill for one to deal with. The hon. member for Calgary Centre (Mr. Harkness) said that apparently the government wishes to create positions to be filled by backbenchers and that this will make them more vocal. At the moment they are afraid to talk, but if they are paid another $4,000 a year they may become more interested in what is going on in this country.

I agree with the comments of the hon. member for South Shore (Mr. Crouse) with respect to the Department of Fisheries. I need not repeat them. This department will have minor responsibility. I ask, why has the Department of Agriculture not been engulfed in this new department? That is an interesting question. Obviously, the government knows there would be too much opposition from the western provinces, and it does not want that. This shows how little the government has considered the problems of the Atlantic fisheries and Canadian fisheries in general.

How can one minister handle this great portfolio and know what is going on in all these fields? Surely, that responsibility is too vast. There are too many questions which are unanswered. For example, we have been asking for some time for the establishment and enforcement of fishing limits off our shores. The Department of Fisheries has not been able to cope with these problems. Emphasis has been placed upon participatory democracy. The Minister of Fisheries and Forestry (Mr. Davis) has not been able to indicate how he will handle this present responsibilities to fishermen, let alone his new responsibilities. I must say, since the minister has spoken a great deal about pollution, that he is the logical person to handle this matter. Perhaps one of the new ministers of state will be able to assist him.

An hon. Member: What about Parliamentary Secretaries?

Mr. Comeau: Since the minister's portfolio will be so vast, probably a Parliamentary Secretary and a minister of state will have to help him with some of his responsibilities. It might be said that the number of ministers will be too great. However, since the new department

will cover many responsibilities, perhaps they will be divided among several members of the cabinet. For example, I know that the Minister of Communications (Mr. Kierans) has hardly anything to do now; he is completely lost. Instead of adding other ministers to the cabinet, could the government not ask him to take over some of these added responsibilities?

I see that the Minister of Supply and Services (Mr. Richardson) is in the House. We do not hear much from him: I hope this is not an indication of the amount of work being done in that department. Anyway, I know it is not. I have mentioned a couple of ministers who do not seem to have very much to do. That being so, could they not take over some of these responsibilities? We need not necessarily add new ministers—

Mr. Richardson: In my department everything is working well.

Mr. Comeau: The minister says that everything is working well: there are no complaints respecting his department, apparently. If that is the case, I congratulate him, because his is the only department that is working well.

Mr. McCleave: Ask and you shall receive.

Mr. Comeau: As I said before, I am not opposed to the creation of the new department. Actually, I am glad the opposition has gained a major victory in convincing the government to put its anti-pollution efforts under one ministry.

Some hon. Members: Hear, hear!

Mr. Comeau: We have advocated this for quite a while and the government has been opposed to it. When we discussed the Canada Water Act last year, the government did not want to listen to us. They said it was too complicated and that we could not do this and that. When we made similar suggestions in the debate on the Fisheries Act amendments they said, "We do not even want to hear about that." They brought in silly arguments and defeated our amendments. The backbenchers spoke in committee. Perhaps they thought that by voting down the amendments they would stand a chance of becoming Parliamentary Secretaries. They would not hear of our suggestions, Mr. Speaker. Earlier this year we proposed the establishment of a centralized office responsible for pollution control. We were aware, and still are, that the various ministers upon whom responsibility fell for pollution control did not have a single mind on how to attack this vital problem. The Minister of Fisheries and Forestry was ambivalent; the Minister of Energy, Mines and Resources (Mr. Greene) was talking everywhere about sovereignty; the Minister of Transport (Mr. Jamieson) was not prepared to deal with oil pollution.

Mr. Speaker, to include in the same bill pollution control and the control of renewable resources gives an interesting dimension to the problem.

We have strongly advocated that one minister should deal with the whole problem of pollution. As I said, we made numerous proposals last year. We made proposals during the Canada Water Act debate on the whole subject of pollution. This bill is vague: it tells us what job has to be done but it does not indicate how it is to be done. It mentions co-operation with the provinces and municipalities, but provides no mechanism for co-operation. Will this be done on an ad hoc basis? Will subsidies be available? What about the training of pollution officers? That should be a relevant question in any discussion of the Canada Shipping Act. Will the government pay for their training? Also, why will not this department have control over pollution in the north, in view of the great dangers of ecological imbalance in that region? I do not see anything in the bill that says the new department is to be responsible for what happens in the north.

Because the department of the environment is to take over some of the responsibilities of the Department of Energy, Mines and Resources, some changes have been proposed in the bill. The Department of Energy, Mines and Resources will be left with responsibility for non-renewable resources. In this connection it is interesting to note the difference between the English and French texts of the bill. Some changes will probably have to be made in this regard.

Part II of the bill is worth mentioning, since clause 11 (2) (b) gives the minister the power to "enter into agreements with the government of any province or any agency thereof respecting the carrying out of those plans." Why cannot the minister of the environment enter into direct agreement with the provinces and thereby make this department really effective in the fight against pollution?

Mr. Béchard: It does not exist yet; that's why.

Mr. Comeau: The hon. member says that the department does not exist. There spoke a former Acting Speaker and Deputy Chairman. A man who is in charge of one of our committees tells me the department does not exist. Of course it does not exist; we have not passed the bill. I think that was an awful remark for the hon. member to make.

An hon. Member: Yes, it was.

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, it cannot be done.

Mr. Comeau: Mr. Speaker, the hon. member for Bonaventure (Mr. Béchard) is not being objective; he knows better than that because he was Deputy Chairman of Committees of the Whole House.

[*English*]

The hon. member knows that a bill is not law until passed by this House. The word "pollution" had sex appeal last year and it still has some sex appeal. The government brought in all kinds of legislation to pretend that it was really doing something to fight pollution. It introduced the Canada Water Act, the amendments to the Fisheries Act and to the Canada Shipping Act, and the bill we are now considering. It also introduced the Arctic waters pollution bill. There has been a great deal of talk

on the subject of pollution, but no action. There has been no action because the government has refused to make money available to fight pollution.

• (3:40 p.m.)

Last week I asked the Minister of Finance (Mr. Benson) whether low-interest loans or other types of aid to industries and municipalities had been recommended in order that they could fight pollution. The minister stated that he was waiting for recommendations from the Minister of Fisheries and Forestry. When I directed the question to the Minister of Fisheries and Forestry, he stated that some recommendations had already been made and more would be forthcoming. He did not state what the recommendations were. The government will have to tell me what recommendations were made because I now have on the Order Paper a question regarding this problem. Other than grants or loans which have been made by Central Mortgage and Housing Corporation for sewers, no money has been made available for the fight against pollution. It is easy to pass legislation and pretend to be the great saviour in this regard, but municipalities need money to do the job. The municipalities cause 50 per cent of the pollution but they do not have the money with which to do anything about the problem. Municipalities and industry require assistance from the federal government in order to fight pollution. Recently we heard of an industry which failed because it did not have the finances to meet the required standards. I am not saying that industries should not have waste-treatment facilities, but they should not suffer because the federal government will not provide financial assistance.

[*Translation*]

Mr. Béchard: Mr. Speaker, would the hon. member for South Western Nova (Mr. Comeau) allow me a question?

Mr. Comeau: Yes, Mr. Speaker.

Mr. Béchard: Is the hon. member making a comparison with the former Atlantic Development Board that was created without the necessary credits for the development of the Maritime Provinces?

Mr. Comeau: I did not grasp too well that question, Mr. Speaker, but I want to say this: in order to fight pollution—and we have been doing that for a year or two—we need money. It may be true that the department will have the necessary credits to fight pollution, but there is nothing that says so in the bill. Moreover, nothing was said last year to indicate that credits had been appropriated for that purpose.

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, we should begin by fighting pollution amidst the Conservative caucus.

Mr. Comeau: Mr. Speaker, the hon. member has just added to the general pollution. Anyway—

[*English*]

It is easy to pass laws but it is another thing to apply them. Many agencies were supposed to be set up under the Canada Water Act, but very few have been set up. I would be interested to know how many have been established. I will find out because I intend to put a question on the Order Paper. There has been some success in the fight against pollution, for which I give the government credit. However, this success is mainly due to the efforts of private enterprise. I warn the government not to depend on private enterprise to do the job.

We have a serious unemployment problem because of the state of our economy. Industry cannot be kicked too hard in difficult times. The government must be reasonable and willing to do its share. If the government wants private enterprise to do something about pollution, it must be prepared to make money available for this purpose. I wish to give an example of the complexities of the problem of pollution. The International Joint Commission recently submitted a report on pollution of the Great Lakes. The report was tabled in the House by the Secretary of State for External Affairs (Mr. Sharp). It contained several recommendations. One recommendation was that a program be instituted to control and reduce phosphates in detergents by December, 1972.

Government members are looking at me. They will say that even before the report of the International Joint Commission, Canada introduced the Canada Water Act designed to eliminate phosphates prior to December, 1972. I will deal with that matter in a minute. Industry has been asked to eliminate phosphates in soaps and detergents. However, more than half the pollution in the Great Lakes is caused by municipalities dumping sewage and other materials into them. The government has urged private enterprise to control phosphates but it has not assisted the municipalities to do a similar job.

[*Translation*]

Mr. Boulanger: Mr. Speaker, on a point of order. Let us give a few minutes' rest to the members' hour, it is already 4:40.

I would like you to rule on my point of order. If you would look at the clock on your left, to call private members' hour, it is already 4:40.

By what clock will you go? Since it is 4:40 we are breaking the rules as the private members' hour should have started at four o'clock.

The Acting Speaker (Mr. Richard): I will have to take into account the majority of clocks!

Mr. Boulanger: Mr. Speaker, I have already had this answer from the chair but I had hoped I would get a better one from you. Thus, you are going by the two other clocks and not by the clock in front of me.

[*English*]

Mr. Forrestall: It seems a great waste of time to remind hon. members opposite that we are always at least one hour ahead of the government.

The Acting Speaker (Mr. Richard): Order.

[*Translation*]

Mr. Comeau: Mr. Speaker, I would like to thank the hon. "whippet", as I think he is called in French, for

giving me a little rest since I have a slight cold this afternoon.

Nevertheless, a second recommendation from the IJC—

[*English*]

The International Joint Commission recommended reducing phosphates in municipal and industrial waste to the extent of 50 per cent on the Canadian side of the Great Lakes and 75 per cent on the American side. It said that the cost of a clean-up program for industrial and municipal waste would be in the order of $1,373 million for the United States and $211 million for Canada: this would be the cost of building proper treatment facilities. This means that Canadian municipalities and industries must spend $211 million for their part in cleaning up the Great Lakes. Although the government has enacted legislation which requires industry to reduce phosphates it has refused to make available any part of the $211 million for this purpose. The government has been quick to act, while not spending any money. It has merely lowered the boom on private industry without getting involved in large expenditures for research.

It was reported this morning that approximately 2,200 manufacturing enterprises went bankrupt last year. This should be of great concern to the government. The International Joint Commission a couple of weeks ago recommended a detailed and fully co-ordinated contingency plan between Canada and the United States to effectively respond to major accidental oil spills and other hazardous materials. This is not a new proposal. The task force made similar recommendations. There are three major reports the International Joint Commission's third interim report, the report on the *Arrow* situation and the latest report of the IJC which advocate the same thing. Still no steps are being taken by this government to initiate such a plan. This is why I attack the government in respect of this policy. It has bypassed all advice in respect of legislation and it has taken no action. The government has pretended to the people that it has done something, but it has really asked industry to do something about pollution. The government does not want to spend one cent on controlling pollution. I hope the new minister of the environment will do something in this regard.

• (3:50 p.m.)

We need this new department. We have advocated its establishment for some time. We have felt that the minister has more responsibility than he can handle in the fields of forestry and fisheries and he is now being given another task, that of looking after environmental pollution.

Mr. Béchard: Then you had better give him another Parliamentary Secretary.

Mr. Comeau: The hon. member for Bonaventure (Mr. Béchard) knows very well that I want this new department to be successful, but I do not think the present minister can do an efficient and effective job while at the same time handling his responsibilities as Minister of Fisheries and Forestry. We should establish one minister responsible for fisheries in the Atlantic provinces to deal with the problems there.

The interventions of members of my party have not all been negative and I do not apologize for anything these hon. members have said. On the contrary, members on the government side have expressed a negative attitude. I suggest this is because they are not capable, for the most part, of reading the available information by my party on this topic. They know nothing about it because they have not read about it. They do not know anything about it and I would bet that government members do not know the situation we face today. The Canadian public is beginning to realize the situation and want strong measures adopted. Even some of the Liberal members are starting to talk about a fall election because they will not be able to cope with the unemployment situation next winter. This is shameful.

Let me refer to what happened at the conference in Niagara Falls. I should like hon. members to read the report of the committee headed by the hon. member for Parry Sound-Muskoka (Mr. Aiken) who was a co-chairman with Mr. John A. Fraser. This report indicates what my party would do if it were in power. I do not intend to read the report to government members of the House, because they do not care. This is a government which has advocated participatory democracy.

Mr. Reid: We are Liberals, not Tories.

Mr. Comeau: We can excuse the hon. member; he has just made his maiden speech and is unaware of the problems.

Mr. McCleave: He is not a very beautiful maiden, either.

Mr. Comeau: The problems of pollution are vast and complex. The solution rests with a commitment by national, regional and municipal governments in respect of health-condition priorities. We must have a department which will act in this regard. This government must allocate funds to carry out the job of eradicating pollution. Initially, a popular structure for streamlining must be adopted by the new department. I hope it will succeed in this regard.

I do not see anything in schedule A of the bill which deals with laws passed by Parliament which would transfer authority from the Department of Indian Affairs and Northern Development to this new department. There you have it; this is not a complete department and it does not deal with Arctic problems. I think I have spoken sufficiently in respect of pollution. Let me remind the House that the only way of doing a job in respect of pollution involves the expenditure of a considerable amount of money. We cannot ask industry to undertake the whole job; we must do our share.

The Minister of Fisheries and Forestry has at least youth on his side and he is serious in his responsibilities in the field of fisheries. What we really need is a minister who has more than a passing interest in this field. Like other hon. members, I seriously object to the omnibus character of this bill. I object to the fact that we must

vote on it on the basis of participatory democracy which we do not have.

The Acting Speaker (Mr. Richard): Order, please. It being four o'clock, the House will now proceed to the consideration of private member's business, namely, notices of motions, public bills and private bills.

PRIVATE MEMBERS' MOTIONS

Mr. Mahoney: Mr. Speaker, I believe you will find there is unanimous agreement to proceed to item No. 26 standing in the name of the hon. member for Calgary North (Mr. Woolliams) and allow the preceding items to retain their position on the Order Paper.

The Acting Speaker (Mr. Richard): Does the House agree to the suggestion of the Parliamentary Secretary, that we proceed to item No. 26 and allow the preceding motions to retain their position on the Order Paper?

Some hon. Members: Agreed.

INCOME TAX ACT

SUGGESTED DEDUCTION FOR TEXTBOOKS, EQUIPMENT, MEDICAL FEES, ETC., IN RESPECT OF STUDENTS, THEIR PARENTS OR SPOUSES

Mr. Eldon M. Woolliams (Calgary North) moved:

That, in the opinion of this House, the government should consider the advisability of introducing a measure to amend the Income Tax Act to provide that where a student, enrolled at an educational institution, is entitled to deduct his tuition fees in computing his income for a taxation year, he may also deduct expenses paid by him for textbooks, laboratory equipment or charges in respect thereof, student union fees, medical fees, athletic board fees and other expenditures necessary for or incidental to enrolment at the educational institution; and similarly, that a taxpayer, whether the spouse or otherwise the student, who pays such tuition fees and other such expenses, whether in whole or in part, upon behalf of the student, may deduct any amounts so paid in computing his income for a taxation year.

He said: Mr. Speaker, I thank hon. members who have allowed their motions to stand in order that I may discuss this measure which I think is of concern to everybody in this House and in the country.

My motion really is in two parts. The first part gives a student the right to deduct tuition fees as expenses from moneys earned to provide for a college or university education. It also provides for the deduction of expenses incurred in respect of laboratory equipment, textbooks, etc. The most important feature relates to the right of a taxpayer, generally the parent, who has committed himself to putting a daughter or son through college or university. This expense should be allowable as a deduction from income tax.

[Mr. Comeau.]

• (4:00 p.m.)

In order to arrive at a conclusion on this matter it would be helpful to put on record the cost of education in Canada, which is mounting every year. I checked these figures this morning and they are the latest available. The estimated total cost of education in Canada is $6,674,706,000, or $6.6 billion in round figures—in other words, about half the total federal budget in Canada today, which is around $13 billion. The cost of higher education at Canadian universities amounts to $1,602 million. This gives the House an idea of the costs we are talking about.

Then there is the student loans plan which has worked very well in Canada. Many students would be unable to attend university or college but for this scheme. In 1968-69 there were 109,293 loans made to students, amounting to $62,500,000. In 1969-70 there were 128,070 loans, amounting to $77,500,000. This gives hon. members an idea of the amount advanced to the students of Canada by way of loans. I am sure every member of the House would agree with me that the youth of this country is the greatest resource we have.

It is of interest to note how many students are attending university. Enrolment at universities and colleges in Canada in 1969-70 was 299,889, almost 300,000 students. They were permanently enrolled. Of this group, this year 5,206 will be graduating. I shall have something to say about that in a moment. In addition to the almost 300,000 students there were 125,266 students attending on a part-time basis. My motion asks that in cases where parents are trying to educate their sons and daughters at college or university they should have the right to deduct the cost of that education from their taxable income. That is the meat of the motion.

A lot has been said about the salaries of Members of Parliament. I know one member on this side—there are probably members on the other side in the same position—who is sending three of his family to university. The total salary of a Member of Parliament is $1,000 a month, of which about $400 is deductible. In my family I have two dependents. I am left with about $600 pay. So how my hon. friend on this side can educate three boys at university is beyond my comprehension.

I hope that my suggestion finds some merit among members on the other side of the House. After all, it is the government that runs the country. When things are bad, some members of the government try to spread the idea that Parliament runs the country, but when things are good it is the government that runs the country. I should like to see taxpayers who are trying to educate their children given the privilege of writing off the cost of higher education no matter in what university or province the higher education is received.

What would this cost the nation? I will have something to say about the employment of students, but at the present time the unemployment situation is such that there will be 5,200 students graduating from university and looking for jobs. There were 30 to 35 per cent of the graduates of the last class unable to get full-time employment. I suggest the only way to improve the employment

picture is to cut taxes, not increase them. Therefore, let us start at that spot and allow taxpayers to deduct the cost of higher education from their taxable income.

When the Hon. Walter Gordon was Minister of Finance, he said in one of his budget speeches that the rate of personal income tax in the United States was higher than the rate in Canada. It is true, the rate in the United States is higher. However, every year I tell my sister living in the United States what my salary is and ask her what my taxes would be if my wife, my two children and I were living in the United States in the same sort of house in which I live in Canada. She tells me that my tax would be about 25 per cent less than I pay here. Although the rate of tax looks higher on paper, there are many tax exemptions and deductions in the United States. The working man can write off the taxes paid on his home, the interest on his mortgage, the cost of educating his children, as well as various other deductions. As a result, the net tax is much less.

Let me deal briefly with the employment picture. I should like to refer to volume 33 of the proceedings of the Standing Committee on Finance, Trade and Economic Affairs for April 16, 1970, and put on record what was said at that time. Questions were being asked of Mr. Bryce and Mr. Brown. Mr. Bryce is economic adviser to the Prime Minister (Mr. Trudeau) and he was speaking with great affection about the white paper on taxation, about taxes and the ability to educate students. I asked him who drew up the white paper. After some discussion, which will be found at page 62 of the report, Mr. Bryce admitted that he and Mr. Brown drew up the white paper on taxation. So if Mr. Bryce is the economic adviser to the Prime Minister, we know whose baby the white paper on taxation is—the Prime Minister's.

I also asked him whether the capital gains tax proposed in the white paper would be higher than the one in the United States or Great Britain. As reported at page 63, I asked:

> All right, let me put it this way. He may have misunderstood my question. Suppose it is a person—I only brought the farmer in as an example because I know your exceptions and I could quote the other side to it—an ordinary land holder who bought some land, then sold it and in that taxable year, whatever year it might be, he made $10,000. I am asking you, under the ordinary rules, would not that capital gain be added to his taxable income in that one year.
>
> Mr. Brown: Yes, sir.

So it would be added to his taxable income in that year, one hundred cents on the dollar, though I know there is a provision with regard to spreading the cost over a number of years. Then I asked:

> Yes, so basically, although you have mentioned some exceptions and I am prepared to determine those in a few moments, what the chartered accountant of one of the national firms said is true, that the distinction between capital gains and income will be virtually abolished because in many cases—I have given you two or three illustrations, but I am sure you could give me more than I have given you because you are far more knowledgeable in this field—it will merely be added to the taxable income and become taxable in the year. Is that correct?
>
> Mr. Brown: Yes, it is.

• (4:10 p.m.)

> Mr. Woolliams: Is the difference then between United States' and Great Britain's capital gains tax that they, the United States, have special rates on capital gains and rates on taxable income in the ordinary way. Is that not correct?

Mr. Brown said yes, and that the United States has a frozen rate of 25 per cent. Now I come to the real meat of some of the things I asked. I asked whether in certain circumstances, under the capital gains tax as set out in the white paper, in the first year of operation it is possible that a gain on land would be as high as 80 per cent. Mr. Brown and Mr. Bryce said yes and that even after the first year it is possible for it to be as high as 50 per cent. If there is any question about this evidence I should like hon. members to read it carefully. It appears at page 66 and 67. Then I asked whether under the white paper proposal we would not have a higher capital gains tax for middle-income Canadians than people in the United States and in Great Britain, and the answer was yes.

Then I put this question which I believe justifies my discussing the ability of young people in Canada to obtain an education by earning money at the time and to obtain employment after education. I said:

> I think, with the greatest respect, you have been sniffing public opinion—

This is what I said to Bryce and Brown:

> —a little better than the public have been sniffing their own facts. I question up to the last six months, and maybe the last two months, that the Canadian people, and even informed Canadian people, ever realized that the tax in this nation under capital gains could be as high as 50 per cent, and under certain circumstances the first year as high as 80 per cent. This is now just taking hold in the nation.

What effect has this white paper, after being discussed for a solid year in the committee, had on the economy of Canada? This is what Mr. Bryce, the economic adviser to the Prime Minister, the brain trust, said:

> Undoubtedly some projects, some investments will be affected by uncertainty as to what the tax position is going to be. I think it is inevitable in the process of tax reform and this process of tax reform has been a long time in getting under way and is being extended by the kind of process that we are going through now. On the whole, I think most Canadians have felt this is a price worth paying to have a thorough examination of the system.

Maybe that is where the Prime Minister got the idea for his phrase "like it or lump it". Then I said that we had a very high level of unemployment and asked whether they thought the fear and uncertainty in this regard would have an effect on the mining, petroleum, farming and manufacturing industries which would slow down the economy. The answer by Mr. Bryce was yes, but he thought Canadians were prepared to put up with it.

The man who went to the other place—I always think of the Senate as heaven—had various figures on unemployment, but today we have figures showing there are 750,000 people unemployed. I do not want to be one who preaches doom and gloom like they did in 1962, but this depression which has particularly hit the youth of Cana-

da—our university students and the young men and women who are trying to find jobs—has been brought about by the government because they say it is the only cure for inflation. I say these are nineteenth century methods.

So we have a man-made depression in Canada. We are told there are now 750,000 people unemployed. When we consider that 300,000 students in university will be coming out in three months' time it is obvious that there will be one million unemployed people in Canada out of a population of about 21 or 22 million.

What is the government doing? We are told the government has a program, but it is never disclosed to us. Of course, the Prime Minister does not bless this place with his presence too often these days. He has been absent for a certain length of time. However, I say the government surely has a responsibility for the youth of this nation and should start a program now to cut taxes and immediately permit taxpayers to write off the cost of education against taxable income and give students a break so they may be able to find summer employment to help them return to college.

I plead very seriously with the government to show some concern about the 30 per cent or 35 per cent of our young men and women under age 25 who are unemployed in this country. Some of these young people are graduates who have a doctorate in economics or a doctorate in this or that. They are unable to find jobs. I am glad the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) is here. He is a good friend of mine from my home city. He has a young family and I know he is concerned about this situation. I hope he will take to the minister the suggestions I have made. I hope the cabinet will do something to relieve Canadian families of the cost of education. The suggestion I have made is not novel. I placed it on the Order Paper so that today I would have an opportunity to express myself, in the hope that something would be done for the youth of Canada.

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I take great pleasure in joining this debate because in my riding of Vancouver Quadra is situated the University of British Columbia. The staff and students of this university would gladly tell you, Mr. Speaker, that it is now the biggest single campus in Canada with a full-time, registered student population during the winter of approximately 25,000.

I am quite sure Members of Parliament from Montreal would tell us that the University of Montreal has an even larger campus. I am also quite sure that hon. gentlemen from Toronto would say the campus of the University of Toronto is even larger than that of the University of British Columbia or the University of Montreal. What this shows, as the hon. member for Calgary North (Mr. Woolliams) has pointed out today, is that our university population is growing very rapidly to the point where it is coming close to 400,000 students in post-secondary institutions and the problem of paying the tuition fees to keep them in universities and secondary institutions is a great one indeed.

[Mr. Woolliams.]

It is an added pleasure for me to be able to enter a debate in which the hon. member for Calgary North has taken part. The hon. member, who was in the House yesterday afternoon during private members' hour, will remember what a shocking bore that debate was and how speaker after speaker stood up to read that which had been handed to him by the departmental hack-writers until members were falling over in their seats and snoozing. So it is nice to see a man on his feet debating a subject without his nose in a text written by a poor scrivener in one of the buildings of the public service, sneezing in the dust of the files.

An hon. Member: I thought you would be accepting the motion.

• (4:20 p.m.)

Mr. Deachman: I want to speak a little on the motion. It is worth pointing out that the government does permit deductions, and has since 1961, for that part of a student's university fee that is clearly related to his studies. The plea which the hon. member for Calgary North makes is that this be extended to include other items in the category of student fees in order to give the student additional income tax deductions.

I have some figures here which are worth noting and which give an idea of the size of the present deduction. Perhaps from that we can get an idea of the total sum involved. In 1968, the deduction in respect of tuition fees, based on all taxation returns, amounted to about $111 million. On the basis of taxable returns, the amount was about $81 million. You can estimate from that that in the year 1968 the cost to the federal and provincial governments which did not receive that revenue was in the order of $20 million. So we are looking at $20 of revenue which federal and provincial governments forgo in respect of only that portion of the fees which relates to studies. How much more of these fees is unrelated to studies, I am not quite sure. It varies from department to department in the university and it depends on the extent to which the student involves himself in all sorts of student activities. Some of these are obligatory, such as alma mater fees and the like, while athletic fees and fees of other kinds are not.

In any event, we can estimate that if the whole package were deductible, it could go up perhaps by another 25 per cent to 50 per cent and we would be looking at revenue losses of the order of $20 million or $30 million spread over the 400,000 university students in Canada today. It is not really a very significant sum. However, there are many other ways in which we can assist universities through the federal government.

When we come to these comparisons it is interesting to note a tendency which exists. I think the hon. member for Calgary North will concur in what I am about to say. When the federal government starts to support a university through one device or another, the province in which the university is located takes a look at its annual budget and the amount of money it pays to the university, and the provincial Minister of Finance shrugs and says, "Look at the federal treasury putting all that money in. I

will cut back my budget to the university this year and let the university ride on the back of the federal government".

I know that in my own province of British Columbia this was very evident a few years ago when Dr. Bladen of the University of Toronto brought down his report on university financing, a report which was commissioned by the universities of Canada. It demonstrated clearly the tendency of provincial Ministers of Finance, when they see a federal windfall coming, not to let the benefit accrue fully to the university by cutting down their own budgets. So whatever we do in this direction, let us do it remembering that not all the funds will pass directly into the hands of the universities but some will be taken away from them before they ever get there.

In what other ways does the federal government assist the universities of Canada? It is estimated that in 1969-70 the advances to the provinces for post-secondary education were $625 million, or about two-thirds of $1 billion. Student loans, which were mentioned earlier in the debate today, in 1969-70 amounted to $80 million and they went to 130,000 students. If we look at the full statistics on this we find that the outstanding value of student loans as of June, 1970, was $237 million, of which the federal government was paying interest on $163 million. This is a very considerable contribution to the young people of this country who are looking for help in financing their studies.

The Canada Council assists universities in a number of ways, particularly through its capital fund which, hon. members will remember, was originally set at $50 million and to which additional funds have been added. At the University of British Columbia, in my own constituency, funds of the Canada Council went a long way toward the expansion of the university library and some went into student housing. Last year Central Mortgage and Housing Corporation set aside out of its available funds for mortgage lending a sum in the neighbourhood of $55 million for student housing loans across Canada.

I note that at the University of B.C., which had a considerable building program for student housing, $5½ million from Central Mortgage and Housing Corporation went into construction that year. We expect an equivalent amount go into the completion of that construction in the current year. As a result, the student who is housed in these quarters is housed at a much cheaper rate than he would be outside. The effect is to reduce the amount which can be charged locally because of the influence of rates on the campus and rates which are established in relation to the amount of funds they are able to borrow from sources such as Central Mortgage and Housing Corporation.

Of course, the government has involved itself on campuses across Canada in a number of very sizeable scientific laboratories and scientific developments, including the new Triumf development at the University of B.C., which is a nuclear experimental laboratory of important dimensions. Very considerable funds have been poured into the development of a new health sciences centre at the University of B.C., the eventual cost of which will top $20 or $30 million, as well as into several laboratories long established on the campus of the university dealing with forestry and fisheries. These are ways in which over the years the government has given support, not only to the universities but also to students.

There is another area of support which is extremely important to us in reviewing the total picture of what we can do for the student in order to make it possible for him to secure his education. That is in the field of jobs for students during the summer time. I was heartened to learn that $50 million is to be made available this summer for youth programs. I hope all that money will not be spent on buses and gasoline, as suggested by the *Globe and Mail*, and that some will trickle off to youth and students who are attempting to educate themselves. But it is not really on crash projects such as this that we must count. We must count on annual programs, programs which year after year will sustain students who go out and try to earn enough money in order to go back to university in the fall.

• (4:30 p.m.)

I have always felt that the federal government could do much more than it does now to establish a well co-ordinated program, drawing on the resources of many departments and using them to assist students in summertime. I want to suggest some guidelines which the government might think about with respect to such a program. First, the program be well co-ordinated. Second, it should give summer employment over a long time. Many of these programs are so short in length that they are not totally effective for the student who has to work in the summertime. Third, these programs should pay real wages and not just toy wages. Very often when a student looks at a government program that is offered to him he says, "That's just dandy, if all I wanted was popcorn money. If that is all I wanted I would take the job, but I have to put some money away in order to go back to university next year." We should look at the wage scale we are paying students if we expect these programs to do any good.

The jobs offered to students should not be petty little ticket-taking jobs at the gates of our national parks. I think that a student's work in the summer ought to be related to his knowledge, his education and his skills, so that he will reach the end of summer with a wad of money in his pocket, ready to return to university and feeling he has put in a useful summer being a good Canadian citizen and doing a useful job. I think a student's job should have some real purpose in building Canada. The summer should be a time during which we are doing surveys of all kinds, doing work on the Indian reserves, perhaps doing a lot of those things that other agencies in the past have tried and which the Canada Council has only loused up.

Finally, there ought to be known criteria. The work that a student does in the summer, the wages he receives, the task to which he addresses himself should not interfere with the permanent labour force. We should not try to sweat students in summertime and thereby force working men, who have to earn money for their families all year round, out of decent jobs. These should be special jobs for students devoted to a special service and

designed for the purpose of enabling students to return to university in the fall. These are some of the thoughts that I wished to put before the House this afternoon on the occasion of this very excellent debate launched by the hon. member for Calgary North.

Mr. Doug Rowland (Selkirk): Mr. Speaker, I intend to be very brief in my comments. Essentially, the resolution introduced by the hon. member for Calgary North (Mr. Woolliams), through advocating the device of making expenses incurred in the course of obtaining an education deductible for income tax purposes, has the effect of lightening the financial burden now being sustained by students and the families of students enrolled in educational institutions. I believe it to be an imaginative, interim step toward the removal of all financial obstacles which stand in the way of the complete fulfilment of each individual in our society, in so far as education contributes to the fulfilment of the individual. The suggestion is especially relevant at this point in Canada's history, with unemployment being astronomically high, because it is becoming increasingly difficult for students to find the kind of summer employment they require in order to have wherewithall to return to school in the fall.

One might have hoped that the hon. member for Calgary North in preparing his resolution would have proposed to the government the total elimination of financial obstacles standing in the way of the achievement of an education, but I expect that he formulated this resolution in the least radical way in order to make it more palatable to the conservative tastes of hon. gentlemen sitting opposite on the government benches.

I think the economic pay-offs of encouraging the development of an increasingly well educated population have been well documented within the last few years by studies such as those conducted by the Economic Council of Canada. I also believe there can be no doubt in the mind of any hon. member that financial considerations have a considerable influence upon the amount of formal education which Canadians seek and receive. For example, studies have demonstrated an almost directly proportional relationship between the income of a student's parents and the frequency with which his university education has been interrupted. I suspect that similar relationship could be established with respect to other post-secondary institutions if similar studies were undertaken.

To the degree that the provisions of this resolution would contribute to the removal of financial obstacles to a person's obtaining the best education of which he is capable, it is worthy of the support of this chamber as a recommendation to the government for action, and on that basis I would support the resolution. However, if I may I should like to introduce another area for thought into these deliberations.

It has been the experience of jurisdictions that have chosen to make education at all levels available to their citizens without cost, and even in those jurisdictions which offer considerable financial incentives to their citizens to pursue their education, that the successful pursuit of post-secondary education remains largely an achievement of the middle and upper classes and that the participation of lower-income groups in the programs is only marginally higher than it is in those jurisdictions which offer no such financial encouragement.

Since it is a demonstrable fact that native intelligence levels amongst the children of lower-income groups are distributed in exactly the same manner as they are amongst the children of the middle and upper-income groups, it would appear that a major part of the problem is one of motivation, the degree of assumption of success on the part of children, the level of expectations of children and the ability of middle-class teachers to deal in an adequate fashion with the education of lower-income students. I suggest that this question of motivation and the means of developing it is an area to which the House could profitably devote some of its attention in the near future.

In saying this, I am not suggesting to hon. members that it would not be a worth-while measure to remove all remaining financial obstacles to education—to use a shorthand phrase, making education at all levels and in all categories free. What I am saying is that if there is to be such a program and this is the way in which we should be moving, we need to develop concurrently with such a program a means of developing the kind of motivation amongst all our citizens which would enable them to avail themselves of the program with some prospect of success.

Mr. F. J. Bigg (Pembina): Mr. Speaker, it gives me great pleasure to support this motion proposed by the hon. member for Calgary North (Mr. Woolliams). One of the things we most certainly should do is encourage self-help among the young people. But because it is difficult for young people in the labour market today to help themselves, I think the second part of the motion is worth while, namely, that parents who are already overburdened with taxes should be given some relief when they keep students, sometimes to the age of 30 and beyond, out of competition in the labour market in order that they may remain at school and thus be enabled to make an even higher contribution to the welfare of Canada. Therefore, I do not see any great argument against proposal.

• (4:40 p.m.)

I do not object to spending money to be used in education, especially when it is spent well. Nevertheless, it would be only fair if we could relieve the burden of those Canadians who already are paying too much in taxes in this regard. I am talking about middle-income Canadians. They are already carrying a triple burden of taxation. They already pay heavily in taxation if they own their own home, as most of them do. They carry the burden of education; taxes levied against their properties pay for education. I know about this: I pay $700 in taxes every year on a bungalow in a village. I do not object to that because I think the money is well spent. Nevertheless, there comes a limit in our ability to pay. Relief must be given, in view of present living costs, for those with children going to high school or university.

Obviously, if you make $10,000 a year you cannot ask for welfare or assistance of any kind; you can only ask

for equity in taxation, and I claim we are not getting that. If you dip into your depleted resources and support a student of 18 years of age or over who could be earning his own living but who is not working and is therefore being kept off the labour market—I assume that nearly all such students would help themselves to go through university if they had the chance—I submit you are entitled to relief from the burden of triple taxation.

Man cannot live by bread alone. Our present taxation structure gives some relief to the student going to school but that relief applies only to student fees for tuition. It ought to apply to more than just tuition fees. A university student today cannot enjoy a well-rounded life on an amount that is merely sufficient to pay for his tuition fees and for bed and breakfast. The Canadian student has the right to look forward to a rounded life in sports, social events and culture, and to a broadened experience. There are too many eggheads who buried their noses in books for six, seven or eight years, obtained their Ph.Ds and thereby became far removed from the facts of life. Many of them do not know the proper way to raise children or the proper way to deal with their fellow man.

That may be why some of them are far too refined and are out in left field. They have left behind common sense. They do not know anything about unemployment, about how people pay their bills or even how they have a good time. They have forgotten all that on the so-called road to progress. Our taxation laws should take into account our necessity for a well-rounded life and the fact that mother and father are entitled to have a dollar left after taking home their so-called affluent pay. Otherwise, all our taxation becomes ridiculous nonsense. I will not waste any more time arguing this matter. I think the motion is good. I will sit down, ask for the question to be put and see whether we cannot be unanimous at least on this one narrow point.

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, I listened with a great deal of attention to the speech made by the hon. member for Calgary North (Mr. Woolliams). I commend him for bringing this matter forward. I must also criticize him, because his motion does not deal with the problem of equalizing educational opportunities in Canada. Those who represent the rural parts in Canada, the areas far removed from universities, know that the main cost of educating our young people is not the cost of tuition; indeed, that may be considered as being one of the smaller parts of the cost. The main cost lies in the burden of sending the student to university and bringing him back. As I say, the main cost is not the cost of tuition but the cost of room and board as well as the cost of transporting the student to and from university. He must go to university, return home at Christmas, go back to university and then come home at other times. In these latter areas lies the real cost.

If we are interested in doing as the hon. member for Calgary North suggests, of equalizing some of the costs of education and making education more equitable and available for a greater number of students then, it seems to me, we must concentrate in those areas I have mentioned, the costs involved in sending a student to university and in maintaining his room and board. I have raised this matter, since coming here in 1965, several times with ministers of finance. Every time they have said to me, "What about students who live in cities and choose to live in residence? Should they not also expect to obtain relief through these tax deductions?" My answer to that has been a simple and unequivocal no. Those people have a choice. The student coming from outside the city has no choice. If he wishes to further his education, he simply must pay for his room and board.

Generally speaking, the incomes of the parents of children in rural communities, who wish to send their children on for further training or education, are lower than those of parents in urban centres. Therefore, a student who goes into a city to attend university, obtain post-secondary education, or even attend school, is at a disadvantage when compared with his urban counterpart. It seems to me that in the white paper tax reforms which the minister is proposing, special note ought to be taken of this discrimination which adversely affects students coming from the rural areas of Canada.

It can be safely said, for example, that for the tax dollar which the rural taxpayer pays to the federal government he probably receives less value than he receives in return, in comparison with any other dollar he may spend. The reason for that is not hard to see. When we go to rural areas we can see just how many federal and provincial government offices are there, compared with the number of such offices in urban communities. According to the 1961 census, the people of my riding finish school either at grades 5 or 6. That is their average educational level. The difficulties of such people in dealing with the bureaucracy of the federal government or provincial governments are almost insuperable, because they simply do not have the education or confidence that one needs to deal with bureaucrats in Ottawa or in any other urban centre.

Although we are prepared to accept some diminution in the return on our tax dollar in the field of education, we protest against the kind of discrimination that is now practised against us, a discrimination arising from the way in which the federal government has arranged for tax deductions to apply solely for tuition without taking into account the most important costs involved in higher education. It is all very well to talk about the crippling burdens that tuition places on the student when in fact about 80 per cent of the costs of higher education is now borne by the general taxpayer. It is borne by individuals, for example, who are not married, by people such as the hon. member for Peterborough (Mr. Faulkner) and the hon. member for Esquimalt-Saanich (Mr. Anderson), neither of whom has taken the plunge into marriage. Yet both of them are supporting the education of my progeny and of yours, Mr. Speaker.

An hon. Member: Shame.

Mr. Reid: Nevertheless, Mr. Speaker, since we are considering the tax burden on individuals I think it could fairly be said that the more equitable way of distributing that burden would be if the government were to provide tax deductions for room and board to those who must directly pay for higher education in the rural areas. Also, through general taxes they pay the cost of supporting the

university and post-secondary school establishment through their payments to the consolidated revenue fund. When we look at the tax position, it becomes even less equitable when we are concerned about making access to higher education the right of all.

• (4:50 p.m.)

We should pay attention to the particular position in which people living in the rural parts of Canada find themselves because of the particular higher education cost structure. This question will become more and more important because there is more and more centralization in the country and less opportunity for extension courses and the like being extended to rural residents. I suggest to the Parliamentary Secretary, who will no doubt be reporting this debate to the Minister of Finance (Mr. Benson), that he seriously consider this representation to ease the financial burden on the rural taxpayer. He should also consider the cost of transportation and room and board while living in the urban centre, and the fact that incomes in rural areas are much less than those of parents of students living in urban centres.

In addition to the money which the federal government provides through the student loans program and research grants to universities, it also provides a significant amount of money to the purses of universities. I was interested in the remark of the hon. member for Vancouver Quadra (Mr. Deachman), who said the money made available by the federal government is diverted to other things which the provincial governments may consider more important. I recall when these grants were first made available five years ago, the province of Ontario was accused of cutting the amount of money being paid to universities and using it to build roads. This may have been an admirable social objective but it was not in keeping with the means or purposes for which the money was made available. Because of this kind of fiscal irresponsibility, if the federal government is to ensure that the money goes to the proper place it must engage in the difficult practice of shared-cost programs. Everyone must share the blame and no one must share the credit, to ensure that the moneys go to the proper place.

Under the terms of the Federal-Provincial Fiscal Arrangements Act of 1967, the federal government agreed to transfer substantial tax revenues and to make an equalized grant to the provinces. In exchange, the provinces accepted full responsibility for supporting post-secondary education, which requires at least junior matriculation for entrance. To enable the provinces to meet this responsibility the federal government transferred four percentage points of personal income tax and one percentage point of corporate income tax to the provinces. In addition, a post-secondary educational adjustment payment was added, to bring the total transfer up to the greater of $15 per capita of the residents of that province or 50 per cent of the operating costs of post-secondary education in the provinces.

In the last fiscal year for which I have been able to obtain figures, the fiscal transfer and cash adjustment payments for 1969-70 were over $625 million. That money must be paid by the federal government which has no control over the accounting procedures or the way in which budgets are set; the provincial governments merely submit their bills. By the terms of the act and agreement, the federal government must pay. In addition, the federal government provides substantial assistance to students through the student loans plan and grants by the Canada Council and others. In the year 1969-70, approximately $80 million in loans was authorized for over 135,000 students in post-secondary institutions. The value of the loans outstanding as of June 30, 1970, was $237 million on which the government was paying interest on $163 million.

Mr. Woolliams: Don't talk it out.

Mr. Reid: Is there a question?

Mr. Bigg: Yes. When are you going to sit down?

Mr. Reid: Before I sit down and, hopefully, close the debate I want to reiterate the peculiar financial disadvantages faced by people in northwestern Ontario and other rural parts of Canada. The benefits which the federal government makes available for higher education are considerable. Grants paid to institutions go a long way in making higher education available for more people than ever before. However, a significant amount of the total cost of higher education must still be met by the rural people of Canada through expenses such as room and board. A very expensive part of their education must be borne directly by the parents and students concerned.

I suggest that a way to equalize the direct cost to the students and their parents would be to permit them, where there is taxable income, to write off the costs of transportation and room and board. As a student from a small community who attended university, I can testify as to the expense and the financial difficulties. It would be pleasant if the government provided a surprise in the White Paper tax legislation to allow these additional deductions.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. The hour set aside for private members' business has now expired. It being five o'clock, the House stands adjourned until two o'clock Monday afternoon, pursuant to Standing Order 2(1).

[*English*]

Have a good weekend, keep warm and try to skate on the canal.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, February 1, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

STATEMENT BY PRIME MINISTER ON SINGAPORE COMMONWEALTH CONFERENCE

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is not possible, in the few minutes which the rules permit me, to describe to the House in more than a summary fashion the Singapore Conference of Commonwealth Heads of Government. With the permission of hon. members, however, I should like to convey to the House some of the impressions that I brought away with me. These impressions, hopefully, will add to the information already received from Singapore in the form of the conference communiqué and the very full journalistic reports.

The meeting was, as the House is aware, the first regular Commonwealth Conference to take place outside of London, and the first at the head of government level to be sited in Asia. I think that an Asian location was most fortunate, partly because it was in Asia that momentum was first initiated for the Commonwealth to be transformed from its older, more confining structure into the widely representative association which it is today, and partly because an Asian situs permitted conference delegates to live and work in a newly-independent community in which racial harmony is a necessary fact of life. The world, as we know but so often tend to forget in the immediacy of our own domestic problems, is populated to an overwhelming degree by persons who are desperately poor and whose colonial experience in many instances leads them to question the values and the sincerity of the developed countries. All too often as well, "rich" and "white" are regarded by them as synonymous. We forget these facts at our peril.

• (2:10 p.m.)

In Singapore it quickly became apparent that the future of the world will not necessarily be determined in accordance with European conceptions. The Commonwealth, viewed from Singapore, presented challenges to the ingenuity and good will of its members to find ways of communicating across differences measured in many instances by thousands of miles and by centuries of experience, yet without insisting upon adherence to preconceived notions or attitudes. In the result, the value of the Singapore conference might best be described in terms of the comprehension gained by delegates, and not by the persuasion which anyone attempted to exercise.

The conference dealt with a number of important issues, Mr. Speaker, foremost among them the contentious issue of arms sales to the Republic of South Africa. I am relieved, as I am sure are all here, that, following consideration of factors affecting the security of maritime trade routes, the members agreed to the formation of a committee to study these questions as they relate to the Indian and South Atlantic Oceans in hopes of resolving some of the complex variations and differences of view. I am also pleased that an amended Declaration of Commonwealth Principles, which had been presented earlier to the meeting in its basic form by President Kaunda of Zambia, received the unanimous support of the meeting. Each of these measures confirmed to a large extent the belief by most heads of government that the Commonwealth Association is important; one that is capable of contributing significantly to a better understanding among men of their common ideals and aspirations, their fears and problems, and their increasing interdependence in a technologically complicated world.

The agenda at Singapore permitted wide-ranging discussions of political and economic trends in the world, of the possible consequences of the entry of Britain into the European Economic Community, of a variety of Commonwealth programs, and of the immediate future of the Commonwealth association. Canada disclosed at the meeting that it was prepared to support up to 40 per cent of the financial burden of an expanded commonwealth fund for technical co-operation. Canada also supported a less rigid format for future conferences—one which will relieve some of the unnecessary pressures now present in the preparation of an acceptable communiqué; one that should reduce the number of pre-prepared statements and thus permit heads of government to take advantage of the particular nature of the meetings. There was general agreement that these changes are desirable, and that the unprecedented opportunity for so many heads of government to meet regularly and informally should be jealously protected.

[*Translation*]

It is my view now, Mr. Speaker, as it was prior to Singapore, that Canada could get along without the Commonwealth but it remains my strong view that we could not get along nearly so well. No problems would be solved by the break-up of the association; not one member would find it easier to advance its own interests in its absence. The Commonwealth benefits all members and harms none. It is my firm expectation that with the help of the important Commonwealth Declaration the association will prove to be a major contributor to the enrichment of human relations. Commonwealth members share a common language. Even more important, they share a common idiom. In the result, there is permitted

an informality of encounter and a meeting of minds that surely must be the envy of other countries.

The journey to and from Singapore gave me an opportunity to travel briefly in four of the many countries which have issued invitations to visit over the past several years. Three of those countries—Pakistan, India and Ceylon—are Commonwealth members and long-time major recipients of Canadian economic assistance. Together with the journalists and photographers who accompanied me, I travelled to several of the more important of our aid projects. Through the pens and cameras of these reporters, Canadians are now more aware of the way in which Canadian funds have assisted persons less fortunate than ourselves. I found, too, that in each of those countries the earlier visits of Canadian Prime Ministers St. Laurent and Diefenbaker were well remembered. I should add that the extensive travels in 1958 of the right hon. member for Prince Albert, when he occupied this office, were brought to my attention again and again.

The fourth country visited was Indonesia, the giant of South East Asia, which Canada has recently named as a country of concentration for our aid program and one of whose outstanding citizens, General Nasution, will soon come to Canada as your guest, Mr. Speaker.

In each of those countries the program provided for discussions with the Prime Minister or President and between Canadian officials and their counterparts. These face to face encounters, and that with the Shah of Iran during an overnight stop in his country, provided an opportunity to learn at first hand of the attitudes and beliefs of world leaders in a way which cannot otherwise adequately be duplicated.

A refuelling stop at Lahr permitted me to meet a good number of our servicemen, their wives and children.

[*English*]

Wherever I went, Mr. Speaker, I am happy and proud to report that the name of Canada was held in warm and sincere respect. The professional dedication of Canadian representatives abroad, be they in the public service or the armed forces, serving in our diplomatic missions or in United Nations of NATO assignments, the quality of our aid programs, the value of our trade and investment relations, the friendly and positive nature of our external policies within and without the United Nations—these have all accumulated for Canada over the years an enviable reputation. I am happy to report that the resourcefulness and skills of the members of my official party and of the Canadian Armed Forces crew who were responsible for our transportation contributed not only to the effectiveness of my trip but to Canada's good name wherever we went. To them I am grateful and offer my thanks.

I have no doubt that all Canadians will agree that this high national reputation places upon our fortunate country a special obligation to conduct our affairs both internally and externally in a manner in keeping with the desire of all men to live in a world which contributes to human dignity, justice and social progress. To this end, all Canadians must dedicate themselves consciously in order to be rid of racial or regional or linguistic prejudices for these are belittling to the world, to Canada, and to us as individuals.

In that respect, Mr. Speaker, I should like to quote in conclusion three sentences from the closing remarks of Prime Minister Lee Kuan Yew, Chairman of the Singapore Conference. He said:

> In a multitude of ways, this conference has mirrored in miniature some of the irreconcilables the world community faces. They must be made less irreconcilable. It will become too costly and painful for mankind if these conflicts are not tempered by the spirit of common brotherhood.

Canada cannot live apart from the world. Events in far off places do affect us, as we have seen again and again in our history. If we are able to influence those events for the better, through attendance at important international conferences, and through meetings with heads of friendly states, then it is the duty of Canada to attempt to do so. This duty does not flow from some vague international role to be played by Canada. Canada must act according to how it perceives its aims and interests. It is in our interest that there not be a general racial war in Africa in the near or distant future. If the Commonwealth Conference reduced the chances of such a war, and if the Canadian delegation contributed to the success of that conference, then I submit, Mr. Speaker, that the effort was well expended.

• (2:20 p.m.)

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am pleased to welcome the Prime Minister back to the House of Commons and to see that he is in good health after his extensive travels. He seems to have recovered well from the bout of sunburn which afflicted him in the course of his trip. I can sympathize with him in the pain of that experience because sunburn perhaps affects him in the same place as it affects me. As a result of my own familiarity with this localized discomfort I believe I shall have some insight at least into what may be one of his actions during the next week or so: when I see him scratching his head I shall know he is not necessarily perplexed—he is just peeling.

We always follow the Prime Minister's travels with interest. His most swinging encounter this trip appears to have been with an orang-outang named Joan. This adventure evidently happened during a recreational period spent in a wildlife sanctuary. Some people might accuse the Prime Minister of frivolous behaviour with Joan but I want to make it plain that I do not. I am aware of his abiding affection for wildlife and I can believe that this episode may well have been a serious discussion, perhaps about the possibility of a cabinet appointment for Joan as part of the government's current reorganization program—and I hope nobody will think I am being unfair to Joan.

Some hon. Members: Oh, oh!

Mr. Stanfield: I am prepared to believe there was a similar serious purpose in mind when the 350-pound

turtle was turned on its back to make sure it would stay put during the Prime Minister's visit. I expect this arrangement was designed to help the Prime Minister maintain an awareness of Canadian domestic affairs while he was away. I can picture this hapless, hard-shelled creature, head withdrawn under cover, feet pawing the air in protest, all its immense potential immobilized. The Prime Minister would surely ponder such a sight, and this thought about home would surely flash through his mind: "I wonder", he would say to himself, "how the Minister of Finance is making out with the economy."

Some hon. Members: Oh, oh!

Mr. Stanfield: I thank the Prime Minister for his report on the Singapore conference. I share his view that it would have been tragic indeed had the Commonwealth collapsed as a result of the dispute over the British arms sale to South Africa. I understand that the Prime Minister, along with certain other participants at the conference, played a part in preventing a break-up at this time. I believe that he, as well as others who were active in this sense, deserves our congratulations.

Some hon. Members: Hear, hear!

Mr. Stanfield: We must recognize, however, that the danger to the Commonwealth is not yet over. Irrespective of what happens with regard to the sale of arms to South Africa there remains a considerable amount of tension and perhaps even resentment between some Commonwealth members. I know the Prime Minister does not like the image of Canada as an honest broker, but however we may describe the role I believe this country should continue to try to retain the trust of all sides so that we can do our part to keep the Commonwealth in existence and strong.

Certainly it is a complicated institution but it has been, and remains, one of the most effective forces in the world for peace and understanding among nations. It is in Canada's interest to encourage continued harmonious relations within the Commonwealth and I hope we shall do everything in our power to this end. I am encouraged in this regard by what the Prime Minister said this afternoon.

I have already expressed my pleasure at the Prime Minister's return to parliament. In his absence the Acting Prime Minister and his other colleagues were trying, I am sure, to mind the store, but they often gave the impression of merely going through the motions. They seemed to feel that the action was taking place many thousands of miles away rather than here at home.

Unfortunately, I have to tell the Prime Minister that even in his absence Canadian problems persisted and in some cases grew worse. I presume that the Prime Minister has been brought up to date on the unemployment situation. He may remember—I am sure he will—that shortly before leaving he announced that henceforth unemployment was Canada's number one priority. I can only presume that having told the people this he forgot to mention it to his colleagues in the cabinet. Otherwise I find hard to explain the lack of concern they have displayed about this problem while he was away.

In fact, when the right hon. gentleman is out of the country we seem to get a more vivid and accurate picture of the kind of government that he leads. Each temporary removal of the Prime Minister's colourful wrapper enables us better to know what is really in the package. When the actions of this government are not modulated by his charming charisma in the course of their transmission to us, we get the real message, and it is an old, familiar message of arrogance and complacency that becomes less and less acceptable as times become more and more difficult.

Some hon. Members: Hear, hear!

Mr. Stanfield: On his return the country has a message for the Prime Minister. It is a message of urgency. The country can no longer afford delay, and it does not want sweet talk any more than it wants vague promises. This country wants action, and it wants it now. It wants effective action to fight mass unemployment, not next summer, not next spring, but now. It wants action to alleviate human misery now. It wants action now —

Some hon. Members: Order!

Mr. Stanfield: —to get the Canadian economy moving vigorously again.

Some hon. Members: Order!

Some hon. Members: Hear, hear!

Mr. Speaker: Order. I hesitate to interrupt the Leader of the Opposition, of course, since he is making such an important comment on the important statement made by the Prime Minister. However, before we get into serious difficulty I think at this point I have to remind the hon. gentleman what he knows much better than I do, that comments on ministerial or prime ministerial statements should be limited as much as possible to the contents of the statement made to the House. The hon. Leader of the Opposition.

Mr. Stanfield: I assure you, Mr. Speaker, that it is only because of the seriousness of the conditions existing in this country that I am speaking about these matters. As I terminate, may I in personal terms most cordially welcome the Prime Minister back to Canada and to parliament. On behalf of the members of my own party and also the Canadian people, I think, I welcome him back in the hope that he will now have something concrete to propose to deal with the pressing problems of this country. We can wait no longer.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, on behalf of the members of this party I should like to welcome the right hon. Prime Minister (Mr. Trudeau) back from his safari abroad. In common with all Canadians, we have followed his travels with

great interest through television and the press and have watched him riding elephants and camels and smooching with an orang-outang.

I thank the Prime Minister for the report he has given the House this afternoon. I commend him for his statement regarding the importance of the Commonwealth and the part which it can play in the life of our day and generation. I was glad to hear him say that he thought we would gain from this association. This is a commendable change from the time when the Prime Minister, prior to a previous conference, described the Commonwealth as a useful anachronism.

• (2.30 p.m.)

I for one do not accept the idea that the Commonwealth was in any danger. The Commonwealth is a free association of free nations working together for certain common principles and objectives. It is not necessary that they agree about everything. There is no requirement for unanimity. There can be no question of the Commonwealth trying to force its decisions or opinions on any single member of the Commonwealth.

I do not agree with the Prime Minister's statement in India that if other countries left the Commonwealth we would not want to feel less pure than they. I think it should be remembered that the men who go to these conferences to represent the various parts of the Commonwealth are simply heads of government who in a democracy at that particular time, according to the will of the electorate, head their respective governments. Governments come and governments go in a democracy but nations continue and the Commonwealth continues, and no statesman has the right to talk about taking any country out of the Commonwealth. The people are determined to stay in the Commonwealth, and I do not think any disagreement should lead to talk of the Commonwealth disintegrating.

For that reason I am all the more concerned about the whole question of the sale of arms to South Africa by Great Britain. The Prime Minister seems pleased that the amended version of the Zambian declaration of principles was accepted unanimously by all Commonwealth nations. It was accepted unanimously because it had been rendered meaningless by the Canadian amendment which said:

> No country will afford to regimes which practice racial discrimination assistance which, in its own judgment, directly contributes to the pursuit or consolidation of this evil policy.

Of course, by allowing each member to decide what in its opinion is assistance to the policies of racial discrimination and apartheid it was very easy to get unanimity. I submit that the Commonwealth could have survived even had there been a difference of opinion on the Zambian declaration of principles, and that it would have been a good thing for Canada to line up with those nations who uncomprisingly and specifically condemn racialism and those who supply arms to those nations which practice racialism.

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

The Prime Minister said in his report today:

> It is in our own interest that there not be a general racial war in Africa in the near or distant future. If the Commonwealth reduced the chances of such a war, and if the Canadian delegation contributed to the success of the conference, then I submit Mr. Speaker, that the effort was well expended.

This did not solve the problem of the sale of arms by Great Britain to South Africa; this merely shelved the problem. The setting up of the committee of eight to look into the trade routes in the South Atlantic and Indian Oceans has merit, but the whole question of whether or not we approve of the sale of arms to South Africa has been left entirely unanswered, and the declaration adopted is virtually meaningless. Therefore the problem has not been solved; it has been merely shelved. I recognize, of course, that the Canadian Prime Minister is in some difficulty in lecturing other countries about the sale of arms when Canada has been selling over $300 million worth of arms annually to the United States to carry on a bloody and senseless war in Southeast Asia. Therefore it is very difficult to lecture other countries on international morality when one's own hands are dirty.

May I say in closing that there is one thing for which the Prime Minister can be very thankful. One of his colleagues, Mr. Milton Obote of Uganda, found that during his absence a general had taken over. I say to the Prime Minister that in his absence a general has also taken over—general discontent, with an army of between 500,000 and 750,000 unemployed. We welcome the Prime Minister back to the cold world of reality. He returns to face real problems. The Canadian people, who on television watched him playing Santa Claus round the world, hope that he will be equally generous in dealing with the problems that face Canadians.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, the Prime Minister has just reported to us about his participation at the Singapore Conference. I am convinced the survival of the Commonwealth depends to a large degree on the success of such conferences. It is certainly in the interest of Canada to maintain excellent relationship with all member countries.

I remember that two years ago, I attended the Conference of the Commonwealth Parliamentary Association with other hon. members. I was most interested, and mainly surprised at the vitality and vigour of the debates. Although we spoke the same language, we sometimes told each other some very hard facts but I finally understood that within an association, it is necessary to speak frankly.

I am also pleased to see that the Prime Minister during his travels has stopped in Ottawa. Frankly, all Canadians are pleased to see him back.

We are also glad that the Prime Minister has received such a warm welcome in all the countries he visited. The press, television and radio have kept us informed about those social activities. It could not be otherwise, Mr. Speaker, since Canada has been generous to those countries.

The Prime Minister of Ceylon stated that Canada was one of the most important supplier of the Colombo Plan. Indeed, the newspapers reported that before the visit of the Prime Minister to Ceylon, Canada had granted that country loans totalling some $94 million. It was therefore quite normal for that country to extend an appropriate welcome to the head of the Canadian government.

Another loan was granted to Indonesia, another country which the Prime Minister was pleased to visit.

During the past five years, all those countries received assistance from Canada which granted them interest-free loans of some $419 million, according to a reply given on June 18, 1970, to a question put on the order paper.

On his return to Canada, the Prime Minister might also decide to grant loans without interest to the provinces and municipalities of Canada, so as to allow them to undertake public works in order to relieve the misery of families affected by unemployment.

It is said sometimes that credits granted to foreign countries help them to buy products in Canada, thus providing work for Canadians. I am convinced that this is an excellent formula, and I feel that the loans that we would grant to provinces and municipalities, so as to allow them to undertake public works, would help not only to stimulate Canadian production, but also to reduce the high unemployment rate that we have presently.

I hope very sincerely that the Commonwealth conferences will be beneficial to Canada. I hope also that in the course of this year we will see very profitable results ensuing for Canada from the last conference.

* * *

• (2:40 p.m.)

[*English*]

SOCIAL SECURITY

GUARANTEED ANNUAL INCOME—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave of the House to present a motion under Standing Order 43. Because the reasons for presenting it are contained in the wording of the motion itself, I need take no time in introducing it. I therefore move, seconded by the hon. member for Vancouver-Kingsway (Mrs. MacInnis), that:

In view of the request of a number of the provinces for the early establishment in Canada of a guaranteed annual income, and in view of the support for such a program by all parties represented in parliament, this House now declares its support, in principle, of a guaranteed annual income for all Canadians, and urges the government to introduce such a plan at an early date.

Mr. Speaker: The hon. member's motion is being proposed by virtue of Standing Order 43. The House knows that this Standing Order requires that there should be unanimous consent. I have to inquire whether there is such unanimity.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimity, the motion presented by the hon. member for Winnipeg North Centre cannot be put.

* * *

CRIMINAL CODE

AMENDMENT TO REMOVE ATTEMPTED SUICIDE AS AN OFFENCE

Mr. J. M. Forrestall (Dartmouth-Halifax East) moved for leave to introduce Bill C-220, to amend the Criminal Code (Attempted Suicide).

Some hon. Members: Explain.

Mr. Forrestall: Mr. Speaker, the purpose of the bill is pretty straightforward. It is to remove from the Criminal Code the section dealing with the punishment of those who attempt suicide so as to permit the provincial areas of concern to pursue better more humane methods of operation than in the existing section of the Criminal Code.

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

* * *

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

REFERENCE OF CERTAIN ANNUAL DEPARTMENTAL REPORTS AND SUBJECT OF ARCTIC ICEBREAKER SERVICE TO STANDING COMMITTEE

On the order: Government Notices of Motions:

January 29, 1971—The President of the Privy Council:

That the following matters be referred to the Standing Committee on Indian Affairs and Northern Development:

1. The annual report of the Department of Indian Affairs and Northern Development for the year ended March 31, 1968 and the evidence adduced by the committee in its consideration thereof during the twenty eighth parliament;

2. The annual report of the Department of Indian Affairs and Northern Development for the year ended March 31, 1969;

3. The subject matter of Arctic icebreaker service; and

That during its consideration thereof the committee be empowered to adjourn from place to place within Canada.

Mr. Speaker: Pursuant to section 2 of Standing Order 21 this government Notice of Motion stands transferred to and ordered for consideration under government orders at the next sitting of the House.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

PROSECUTION COSTS, REGINA V. JACKLIN, REGINA V. ROGERS

Question No. 25—**Mr. Thomson:**

1. What are the costs of prosecution of (a) Regina *v.* Jacklin, Plenty, Saskatchewan (b) Regina *v.* John Rogers, Plenty, Saskatchewan?

2. Who paid for these costs?

Questions

Hon. Otto E. Lang (Minister responsible for the Canadian Wheat Board: 1. (a) $2,167.40; (b) $592.75.

2. Canadian Wheat Board.

WRITS OF ASSISTANCE ISSUED 1961 TO 1969

Question No. 87—**Mr. Howard (Skeena):**

For each department or agency by name, how many writs of assistance were issued for each year 1961 to 1969 inclusive?

Hon. Jean-Pierre Goyer (Solicitor General): Writs of Assistance issued on behalf of the Royal Canadian Mounted Police for the years 1961 to 1969, except as noted, are: 1961, 249*; 1962, 38*; 1963, 46*; 1964, 44*; 1965, 6; 1966, 245; 1967, 176; 1968, 220; 1969, 286.

*These figures do not include Writs of Assistance under the Customs and Excise Acts, the records of which are available only from January 1, 1966.

CANADIAN EXPORTS TO SOUTH AFRICA 1963 TO 1969

Question No. 177—**Mr. Rowland:**

1. What was the total value of exports from Canada to South Africa in each year 1963 to 1969 inclusive and what are the projected total figures for 1970?

2. How many firms located in Canada were involved in such exports in each year?

3. How many Canadians are dependent exclusively for their employment upon such trade?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Dominion Bureau of Statistics is concerned: 1. Total value of exports to South Africa, as published in "Trade of Canada—Exports by Countries", are shown below for the years 1963-1970 (to date).

Year	Domestic Exports ($'000)	Re-exports ($'000)
1963	60,299	383
1964	69,166	875
1965	76,226	2,026
1966	74,393	2,017
1967	77,690	1,764
1968	68,341	1,691
1969	78,513	1,655
Jan.-Oct. 1970	86,978	1,399

2. and 3. To be answered below.

In so far as the Department of Industry, Trade and Commerce is concerned: 1. Answered above.

2. and 3. It is impossible to give precise answers to parts (2) and (3) of this question. However Canadian exports to South Africa, which are expected to top $100 million in 1970, are broadly based and are comprised to a very high degree (over 90 per cent) of fabricated materials and end products inedible. This compares to our exports to Britain (62 per cent); the EEC (54 per cent); and Japan (34 per cent). The percentages are even more striking in the category of end products alone i.e.: Britain (7 per cent); the EEC (13 per cent); Japan (3 per cent) and South Africa (34 per cent). All figures are calculated on the basis of Canadian exports for the first nine months of 1970. For the first six months of 1970 South Africa ranked fourth as an individual offshore market for fully manufactured goods (D.B.S. Classification, end products inedible) behind Britain, Australia and the Netherlands and ahead of such countries as Japan, Germany and France.

There is a very broad regional representation in Canadian sales to South Africa as indicated by our leading exports to that market viz: aluminum; automobiles and trucks, newsprint, softwood lumber, printing and writing papers, motor vehicle parts and accessories, wood pulp, wheat, sulphur, canned and smoked fish, textile fabrics, various chemicals and plastics, and a wide range of fully manufactured goods.

W. J. A. GAGE LTD. PUBLISHING COMPANY

Question No. 270—**Mr. Rowland:**

1. Was the textbook firm W. J. A. Gage Ltd. recently purchased by American interests?

2. Had majority ownership in the W. J. A. Gage Ltd., prior to the purchase, been in Canada?

3. How many textbook publishing houses now operating in Canada are wholly Canadian owned or have a majority interest owned in Canada?

4. What percentage of the Canadian textbook publishing business do Canadian owned textbook companies now control?

5. Were conversations held between representatives of the Government of Canada and W. J. A. Gage Ltd. before the sale took place?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): In so far as the Department of Industry, Trade and Commerce is concerned and several other relevant Departments, the answer is as follows: 1 and 2. Information reported by W. J. A. Gage Ltd. under the Corporations and Labour Unions Returns Act indicated that as of December 31, 1969 the majority ownership of the company was Canadian. The firm has entered into an agreement to sell a majority interest in its textbook publishing division to a United States firm with a new company being formed to operate this Division. There is no indication that the existing company W. J. A. Gage Ltd. has ceased to be majority Canadian-owned.

3. In the year 1968, 22* companies that can be identified as wholly or majority Canadian-owned reported to the Dominion Bureau of Statistics factory shipments of textbooks of their own manufacture.

4. The 1968 value of textbook factory shipments by the 22 companies identified as wholly or majority Canadian-owned represented 40.3 per cent of the total Canadian factory shipments of textbooks as reported to the Dominion Bureau of Statistics in that year.

*Companies have been classified as Canadian-owned where information reported under the Corporations and Labour Unions Returns Act indicates that more than 50 per cent of the voting stock is held by Canadian residents, or where other publicly available information provides conclusive evidence as to company ownership. A number of smaller textbook publishers do not report

under the above Act nor is sufficient other evidence available to conclusively establish their ownership. These companies which have not been identified as to ownership accounted for 2.4 per cent of total factory shipments of textbooks in 1968. It is possible that not all establishments publishing textbooks as a secondary activity are included in the above figures. However, it is believed that the omissions, if any, are insignificant.

5. No.

RCMP PERSONNEL LOCATED IN QUEBEC

Question No. 363—**Mr. Coates:**

1. How many additional members of the RCMP have been transfered to the Province of Quebec since the date that James Cross was kidnapped?

2. What was the total number of RCMP located in the Province of Quebec on January 1, 1970?

3. How many RCMP were located in the Province of Quebec on October 18, 1970?

4. What has been the total cost to date to the federal government for the transfer, housing and feeding of the additional members of the RCMP located in the Province of Quebec and, of this amount, what proportion of expense will be borne by the federal government and what proportion of expense will be borne by the Government of the Province of Quebec and the Government of the City of Montreal?

Hon. Jean-Pierre Goyer (Solicitor General): 1. None.

2. 700.

3. 718.

4. Although no members of the Royal Canadian Mounted Police were transferred to the Province of Quebec during the period following the kidnapping of James Cross on October 5, 1970 various members of the Force performed temporary duty in the Province of Quebec since that date. The approximate cost of the transportation, housing and feeding of the additional members of the Royal Canadian Mounted Police employed on temporary duty within the Province during the period October 5, 1970 to November 5, 1970 was $11,900.

ACTIONS TAKEN AGAINST MICHEL CHARTRAND, PIERRE VALLIÈRES AND CHARLES GAGNON

Question No. 368—**Mr. Coates:**

1. To the knowledge of the government were actions taken by the Attorney General of the Province of Quebec against Michel Chartrand, Pierre Vallières and Charles Gagnon for sedition, if so, in each instance, what was the outcome of the action?

2. To the knowledge of the government were Michel Chartrand, Pierre Vallières and Charles Gagnon arrested under the War Measures Act, are they still being held under the War Measures Act or have they been released and if they are still being held, what charges are to be laid against each of these individuals?

Hon. Jean-Pierre Goyer (Solicitor General): By the Department of the Solicitor General: 1. Yes, as of November 5, 1970 the cases were still before the courts.

2. Yes, they were arrested and are being held under authority of the War Measures Act. The following charges have been laid: Pierre Vallières, Section 4(a) War Measures Act; Sections 62(a), 62(c), 230 and 231(a) Criminal Code of Canada. Michel Chartrand, Section 4(a) War Measures Act; Section 62(c) Criminal Code of Canada. Charles Gagnon, Section 4(a) War Measures Act; Section 62(c) Criminal Code of Canada.

NATIONAL REVENUE—NET REVENUE OF CUSTOMS AND EXCISE BRANCH

Question No. 554—**Mr. Southam:**

By province, what has been the net revenue of the Customs and Excise Branch, Department of National Revenue, for each year 1967, 1968 and 1969?

Hon. Herb Gray (Minister of National Revenue):

	1967–68	1968–69	1969–70
Newfoundland	$ 7,905,887	$ 7,022,213	$ 8,021,931
Nova Scotia	59,190,635	61,752,469	62,951,053
Prince Edward Island	857,724	674,920	671,667
New Brunswick	17,817,866	19,046,308	19,037,408
Quebec	1,279,952,410	1,296,092,892	1,357,484,376
Ontario	1,921,196,160	1,923,939,624	2,059,722,090
Manitoba	84,742,688	36,538,681	36,627,868
Saskatchewan	23,158,091	112,954,763	118,983,337
Alberta	90,612,966	47,960,961	60,774,016
British Columbia	233,655,882	243,000,250	289,776,201
Yukon Territory	572,961	599,733	569,855
	$3,719,663,270	$3,749,582,814	$4,014,619,802

Note: Distribution of the above figures is based on the province in which collection points are located. The amounts are the Customs duties, excise duties, sales tax and other excise taxes taxes collected at Customs ports and collection offices within each province on goods which may be used or consumed in any province. Consequently, the provincial totals should not be taken as reflecting the effect of Customs and Excise duties and taxes on the residents of each province.

PAYMENT OF REWARD FOR INFORMATION LEADING TO ARREST OF ABDUCTORS OF JAMES CROSS

Question No. 670—**Mr. Godin:**

Has the government paid the $75,000 reward for the person providing information leading to the arrest of Mr. Cross' abductors?

Hon. Jean-Pierre Goyer (Solicitor General): One of the conditions agreed between the federal and provincial governments in the making of the reward offer was that the identity of any person providing information would be fully protected and would remain confidential. This condition was promulgated in the announcement of the reward offer. In view of the agreed condition it would not be in the public interest to say whether or not a reward had been paid.

Questions

INDIAN RESERVES—ENFORCEMENT OF REGULATIONS GOVERNING TRADE AND HOURS OF OPENING STORES

Question No. 674—**Mr. Godin:**

Who is responsible for the enforcement of regulations governing trade and hours of opening of stores on Indian reservations?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Federal and provincial governments work together in the enforcement of regulations governing trade and hours of opening stores on Indian Reserves and the relevant laws and regulations are under the provinces' jurisdiction except to the extent that it conflicts with the Indian Act. At least one Indian band in Quebec has passed its own hours of closing by-law under the Indian Act.

FARM CREDIT CORPORATION—LOANS IN ARREARS

Question No. 679—**Mr. Rowland:**

1. What percentage of farmers having loans with the Farm Credit Corporation have been unable to meet their obligations to the Corporation during the past two years?

2. Of those farmers who have successfully met their obligations, what percentage have been forced to borrow money from other sources in order to make their payments to the Farm Credit Corporation?

Hon. H. A. Olson (Minister of Agriculture): 1. The Farm Credit Corporation advises that the percentage of all borrowers in arrears increased from 6.4 per cent in 1968 to 9.9 per cent in 1969, and to 15.1 per cent in 1970.

2. Information not available.

INFORMATION CANADA POSTERS

Question No. 686—**Mr. Coates:**

1. Did Information Canada sponsor the production of nude posters displaying the maple leaf and, if so, for what reason?

2. (a) Who was commissioned by Information Canada to produce the posters in question (b) what was the actual cost of producing the posters (c) how many were produced (d) how many have been sold to date?

3. Has any action been taken by the federal government to have these posters withdrawn and destroyed?

Hon. Robert Stanbury (Minister without Portfolio): 1. Information Canada has lately published three posters. On one of these two cartoons figures appear adorned with maple leaves. These posters represent an experimental effort to communicate to Canadian young people, and to serve as means of them expressing sentiments of national awareness and solidarity.

2. (a) Information Canada/Expositions. (b) Design costs, overhead, and printing was $7,237.25, which it is hoped to recover fully from sales. (c) 6,000 (2,000 of each). (d) About 700.

3. No.

[Mr. Goyer.]

DRUG ADDICTS—NUMBER CONFINED IN FEDERAL PENITENTIARIES

Question No. 699—**Mr. Sullivan:**

How many known drug addicts were confined in federal penal institutions and which institutions had rehabilitation programs in effect?

Hon. Jean-Pierre Goyer (Solicitor General): There were 310 known heroin drug addicts confined in federal penal institutions. The major treatment program of the Penitentiary Service for narcotic addicts is conducted at the Matsqui Institution, Abbotsford, British Columbia. Addicts in other federal penal institutions receive individual treatment by the institutional psychiatrists.

FEDERAL PENITENTIARIES—TESTS GIVEN TO PERSONNEL

Question No. 703—**Mr. Sullivan:**

Are periodic psychiatric and psychological tests given on a yearly basis to (a) wardens (b) senior officials (c) guards and other officials of federal penal institutions?

Hon. Jean-Pierre Goyer (Solicitor General): No.

*RECORDING OF "O CANADA" BY RCMP BAND

Question No. 712—**Mr. Diefenbaker:**

1. Has the American Federation of Musicians refused to permit the RCMP Band to record "O Canada"?

2. If so, has an official protest been made by the Government of Canada and, if not, for what reason?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Solicitor General that the answer to the first question is no, and that therefore the second question is not applicable.

DISPOSITION OF MERCANTILE BANK CAPITAL STOCK

Question No. 728—**Mr. Caouette:**

1. Has the Mercantile Bank of Canada decided to offer part of its capital stock to Canadian citizens and, if so, does it intend to do this (a) by placing part of its present capital stock on the market (b) by increasing its present capital stock?

2. If the Bank has decided to increase its present capital stock (a) for what reason has this decision been made (b) in what proportions will the capital stock be increased (c) what will be the terms and conditions of the sale of the new shares?

3. Was the Minister of Finance consulted on these decisions?

Hon. E. J. Benson (Minister of Finance): 1. The Mercantile Bank of Canada has announced its intention to increase its present authorized capital.

2. (*a*) In order to issue shares of the Bank to Canadian residents until Canadians hold at least seventy-five per cent of the Bank's shares. (*b*) The authorized capital of the Bank will be increased from $10 millions to $40 millions in successive increases of $5 millions, each of which to become effective when previously authorized capital

has been fully issued. (c) The shares must be sold to Canadian residents only. If all the new shares have not been issued by December 31, 1980, a Canadian trustee will be empowered to sell sufficient existing shares of the Bank to bring the total holding by Canadian residents up to 75 per cent. The price and other terms on which the new shares will be offered have not yet been announced by the Bank.

3. Yes.

NATIONAL DEFENCE—CANADIAN MILITARY COLLEGES

Question No. 731—**Mr. Douglas (Nanaimo-Cowichan-The Islands):**

1. What was the enrolment in each of the officers' training colleges of the Department of National Defence in Canada as at December 31, 1970?

2. What was the annual cost of operating each of these institutions during either the last calendar or fiscal year?

3. How many individuals graduated from each of these institutions during the year 1970?

Hon. Donald S. Macdonald (Minister of National Defence): 1. The Canadian Military Colleges consist of the Royal Military College of Canada, Royal Roads Military College and Collège militaire royal de Saint-Jean. As of September 30, 1970 the following number of cadets were in attendance: RMC, 542; RRMC, 215; CMR, 407.

2. Estimated costs for the fiscal year 1970-71 are as follows: RMC, $6,159,000; RRMC, $2,735,000; CMR, $4,206,000.

3. Total number of cadets graduated from RMC in 1970 was 179.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

WRITS OF ASSISTANCE

Question No. 36—**Mr. Orlikow:**

1. How many Writs of Assistance have been issued on behalf of each department in each of the past ten years?

2. How many Writs of Assistance have been used on behalf of each department in each of the past ten years?

3. Are there any regulations or government guidelines as to time limits governing the use of Writs of Assistance?

4. How many RCMP Officers have Writs of Assistance in their possession which can be used at the discretion of the Officer?

Return tabled.

INFORMATION CANADA PERSONNEL

Question No. 685—**Mr. Coates:**

1. What is the present total staff of Information Canada; are there to be additional hirings and, if so, what is the estimated complete staff for Information Canada?

2. (a) How many members of the staff of Information Canada are presently receiving salaries of $10,000 or more (b) what are their names (c) what is each person's position (d) what is the actual salary?

Return tabled.

Orders for Returns

Mr. Lambert (Edmonton West): Mr. Speaker, I rise on a question of personal privilege. Since October 9 my question No. 143 dealing with aircraft tenders has been on the order paper. At one time or another various bits and pieces of information sought have been either given in committee or in the House. I wanted the information in tabular form, as well as some additional information. Surely to goodness the answer to this question could have been given within three or four weeks. It is long overdue.

Your Honour understands well and I have had a good deal to do with the use of written questions in the past. We readily understand that questions are put on the Order Paper in order to elicit information, but not at some indeterminate time in the future. We know that questions can be put down in a much more logical and understandable form than during oral questions so that the information can be more readily produced. I suggest to Your Honour that the conduct of the government in postponing answers to questions such as this one is quite indefensible. I hope that we can get answers with a minimum of delay; otherwise the whole purpose of questions on the order paper is frustrated.

Mr. Jerome: Mr. Speaker, I will take note of that question, but I do resent the implication that we are delaying.

Some hon. Members: Oh, oh!

Mr. Jerome: As I said last Wednesday, every effort is being made to answer every question on the order paper. At times they are put forward in quantities so great that it is not possible to answer them. Last Friday some 55 further questions were put on the order paper. The ministries are kept very busy trying to keep up with the pace, but we are doing the best we can.

Mr. Orlikow: Mr. Speaker, last week I raised a question concerning an answer to my question No. 79 which was put on the order paper on October 8 in this session and also put on the order paper four, five or six months before that in the last session. Could I get some indication when this question, which I do not think is that complicated, will be answered?

Mr. Jerome: Further to the hon. member's remarks of last week, some further work has been done on the answer, and I hope we will be able to provide it in a very few days.

MOTION TO ADJOURN UNDER S.O. 26

LABOUR CONDITIONS

NUMBER OF PERSONS DRAWING UNEMPLOYMENT INSURANCE BENEFITS

Mr. Frank Howard (Skeena): Mr. Speaker, pursuant to Standing Order 26 I wish to ask leave of the House to move a motion for the purpose of discussing a specific and important matter requiring urgent consideration.

Without making extraneous or embellishing remarks about the gravity of the situation, may I say that the motion concerns the fact indicated by the Acting Prime Minister on Friday, January 29, as recorded in *Hansard* at page 2889, that about three-quarters of a million Canadians are presently claiming unemployment insurance benefits.

Mr. Speaker: The hon. member for Skeena has filed a notice as required under the terms of Standing Order 26 and which has given me the opportunity to give serious consideration to his request. The subject of his proposed motion, as outlined by him, is similar to others which have been made from time to time upon the publication of statistics relating to unemployment. The last requests for such motions were made by the hon. member for Spadina and by the hon. member for Nanaimo-Cowichan-The Islands on January 14 last. The reasons outlined in the ruling denying those motions, as reported at page 2397 of *Hansard* of January 14, 1971, would appear to apply in the present circumstances.

• (2:50 p.m.)

As hon. members know, we have just recently had a two-day debate on the subject of unemployment. That took place on January 18 and 19, the House dividing on an amendment by the hon. member for Edmonton West. That was on the third and fourth days of the budget debate. As hon. members also know, Standing Order 26 provides that the Speaker should take into account the probability of the matter being brought before the House within a reasonable time by other means. There are still two days available to hon. members for completion of the budget debate. Indeed, the Standing Orders will provide a number of other opportunities for further discussion of the unemployment situation.

In view of the provisions of Standing Order 26 and in light of all the circumstances, I must conclude that the hon. member's motion should not be put to the House today.

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT—NEW MEASURES TO ALLEVIATE PROBLEM

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister. In view of the Prime Minister's recognition during the Christmas recess that unemployment is now the country's number one problem and as no new measure has been announced since then by himself or by his ministers in his absence, now that the Prime Minister is back I would like to ask him whether the government proposes to announce immediately any new measures to deal with this grievous problem and render the present situation a little less unjust?

[Mr. Howard (Skeena).]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should discourage the Leader of the Opposition from thinking that new measures can be announced each time the opposition notices that there is some unemployment in this country.

Some hon. Members: Oh, oh!

Mr. Woolliams: Some!

Mr. Trudeau: New measures were introduced last March to change the cash requirement position of the government from a surplus to a deficit, inidicating that as early as then the government was aware that it had to reverse the economic trends in the country in spite of the fact that the official opposition was condemning us for going into a deficit position. Again in June we announced measures; again in September we announced measures, and again in December. We do not expect, Mr. Speaker, to be announcing them every other week. The hon. member knows that the economic system is not something that changes direction over night. We are confident, and the economic indicators all indicate it, that the measures we initiated last March and in June, September and December are having a beneficial effect and that this serious problem of unemployment will be improved as time goes by.

Some hon. Members: Hear, hear!

Mr. Stanfield: Mr. Speaker, I do not ask the Prime Minister to show any consideration for me but simply some consideration for the Canadian people.

Some hon. Members: Hear, hear!

Mr. Stanfield: In view of the recent statement by the chairman of the Economic Council of Canada that he is not impressed by the degree of stimulation provided by the government's fiscal policies, is the Prime Minister prepared now to consider selective tax cuts? I do not ask the Prime Minister for an announcement every other week, Mr. Speaker, just one good policy that will do the trick.

Some hon. Members: Hear, hear!

Mr. Stanfield: Mr. Speaker, the Prime Minister apparently does not want to answer questions. In view of the forecast by economists outside the government service that they see no prospect of any material reduction in the seasonally adjusted rate of unemployment in 1971 based on current fiscal policies, is it the government's policy to accept this level of unemployment?

Mr. Trudeau: Mr. Speaker, the hon. member may be referring to some economists but this certainly is not the consensus. I repeat that the economic indicators are, on the contrary, to the effect that the downtrend in industrial production is not continuing, that the index of industrial production is rising, and that in seasonally adjusted terms we have reached the maximum unemployment that we are likely to go through. The Minister of Finance did indicate that in absolute figures it is likely that the figures will rise in January and February, as they do every year even in the best of years, but it is not the

intention of the government to be panicked into putting the country back on an inflationary course.

GOVERNMENT FORECAST OF PEAK WINTER UNEMPLOYMENT—NUMBER OF JOB APPLICANTS AT MANPOWER CENTRES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the Prime Minister's statement that the unemployment figures may rise, and in view of the fact it is reported that government economists have forecast the unemployment peak this winter as between 675,000 and 700,000, can the Prime Minister tell the House what the government's forecast is as to the peak which unemployment will reach in the present winter? What is the government's estimate of the unemployment figures for this winter?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not have the figures, and I do not believe it is customary to answer statistical questions in the House.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Then, Mr. Speaker, perhaps I can put a question to the Secretary of State for External Affairs who, when he was Acting Prime Minister, said outside the House that the government had an estimate as to what it thought the unemployment figure would be, and he did not divulge it at that time. Is he prepared to divulge it now?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker. I think the Prime Minister is quite right in saying that statistical questions of this kind are not in order in the question period.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since someone in the government must know what the unemployment figure is, may I ask the Minister of Manpower and Immigration if he can tell the House what the latest figures are of the number of persons who have applied to Manpower centres as being out of work and desirous of securing employment?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I do not have that figure, but I am sure I can acquire some recent data covering the particular information which the hon. member is seeking and try to furnish it to him.

UNEMPLOYMENT—SUGGESTED REINTRODUCTION OF WINTER WORKS PROGRAM

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I would like to direct this question to the Minister of Finance. In view of the thousands of unemployed in the country, is the government now going to reintroduce a winter works program as requested by the province of Ontario?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the answer to that question is that the program we introduced involving $160 million is about six times as big as any winter works program we ever had.

Inquiries of the Ministry

UNEMPLOYMENT—WELFARE COSTS—SUGGESTED CONFERENCE WITH PROVINCIAL PREMIERS ON FINANCIAL ASSISTANCE

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to ask the Prime Minister this question. In view of the heavy financial burden on the cities and provinces because of the number on welfare in Canada, would the Prime Minister now agree to call immediately a premiers' conference to discuss assistance to the cities and provinces in the financial plight in which they now find themselves?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there will be a premiers conference next Monday and Tuesday. This subject is not on the agenda but I am sure that if they—

Mr. Woolliams: Not on the agenda!

Mr. Trudeau: No, Mr. Speaker, it is "not on the agenda."

Some hon. Members: Oh, oh!

UNEMPLOYMENT—LOANS TO PROVINCES—INCREASE IN AMOUNT TO BE SPENT THIS WINTER

Mr. David Lewis (York South): Mr. Speaker, in view of the Prime Minister's histrionics may I address my question to the Minister of Finance who may not try to perform an act. In view of the fact that only $40 million of the $160 million loan fund to municipalities and provinces that he referred to a few minutes ago is scheduled to be spent by the end of the present fiscal year, which means during the winter months, and in view of the increasing unemployment situation, is he prepared to make a change in the amount to be spent this winter and increase the amount to the provinces and the municipalities?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, we are willing to advance the money to the provinces just as soon as they are ready to accept it and they have projects under way.

Mr. Stanfield: Mr. Speaker—

Mr. Benson: To finish that answer I might say that the provinces will have to estimate exactly when they need the money. If it means a change in estimates this year because they can use it more quickly for these particular purposes, then of course we would consider a supplementary estimate.

UNEMPLOYMENT—GROSS NATIONAL PRODUCT INCREASE REQUIRED TO REDUCE LEVEL TO 4 PER CENT

Mr. David Lewis (York South): Mr. Speaker, may I direct a supplementary question to the Minister of Finance. Again referring to the chairman of the Economic Council of Canada who is reported to have said at Waterloo that in order to reduce the unemployment rate to 4 per cent—

Inquiries of the Ministry

Mr. Speaker: Order, please. I doubt whether it is in order to quote extensively or even briefly from a statement of this kind. Perhaps the hon. member might ask the question in another form.

Mr. Lewis: Mr. Speaker, I shall try. Can the Minister of Finance inform the House whether he has revised his estimate with regard to what will happen to employment and unemployment? Does he agree that it will require a rate of growth in the gross national product of some 10 per cent in order to reduce unemployment to about 4 per cent in one year?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, what I have said is that we expect the seasonally adjusted rate of unemployment to decline throughout this year, and that is still our expectation.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a supplementary question to the Minister of Finance. Since government officials, presumably officials of his department, are giving forecasts regarding unemployment to the press, would the minister be good enough to consult them, obtain the information from them and give it to the House?

Mr. Benson: Mr. Speaker, I will not accept the first assumption made by my hon. friend.

Some hon. Members: Oh, oh!

UNEMPLOYMENT—REQUEST FOR MORE UNEMPLOYMENT INSURANCE OFFICES

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, may I direct a supplementary question to the Minister of Labour. Since there are some 750,000 claimants for unemployment insurance benefits at present, would the minister give consideration to establishing, even temporarily, suboffices of the Unemployment Insurance Commission in various areas, because the offices are now regional, have to cover a very large area, and it is very difficult for claimants to secure their benefits?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the hon. member's question gives me an opportunity to state categorically that there are not 750,000 people in Canada drawing unemployment insurance today. I challenge the hon. member for Skeena to reveal the source of his figures.

Some hon. Members: Oh, oh!

Mr. Mackasey: Nor are there 750,000 claimants. On Thursday, the figures announced by the Dominion Bureau of Statistics for the end of November were 480,000 action claimants.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member for Cumberland-Colchester North has a supplementary question.

Mr. Coates: Mr. Speaker, rather than argue about the numbers—

[Mr. Lewis.]

Mr. Speaker: Order, please. I will recognize the hon. member for Cumberland-Colchester North in a moment. I understand that the hon. member for Skeena is rising on a question of privilege.

Mr. Howard (Skeena): Mr. Speaker, my question of privilege would not have arisen if the Minister of Labour had not thrown out a challenge. May I point out to him, if he does not know this already, that the figure used last Friday was substantiated by no less a person than the Acting Prime Minister.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Mackasey: Mr. Speaker—

Mr. Speaker: Order, please. Perhaps the Minister of Labour might allow the hon. member for Skeena to indicate what the question of privilege is.

Mr. Howard (Skeena): Mr. Speaker, my question of privilege is this: who the hell are we supposed to believe over there?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Mackasey: Mr. Speaker,—

Mr. Speaker: Order, please. That was obviously a point of debate. I believe that the hon. member for Cumberland-Colchester North wishes to ask a supplementary question. We ought to return to him. I suspect that the supplementary he wishes to ask is related to the question of privilege raised by the hon. member for Skeena.

Mr. Coates: Mr. Speaker, my supplementary question is based on the original question I asked. I am not worried about whether there are 700,000 or 800,000, or whatever the number is; I am worried about a devil of a lot of unemployed people who are unable to obtain satisfactory service from the Unemployment Insurance Commission. I want to see that they get better service.

Some hon. Members: Hear, hear!

Mr. Mackasey: Since the matter has been raised in this way, I have no alternative except to suggest to the hon. gentleman that if he has any tangible evidence of any lack of service by the Unemployment Insurance Commission he should do what other members of the House do and bring the particular case to the attention of my department. Then I shall rectify it.

While I am on my feet, Mr. Speaker, may I raise a question of privilege.

Mr. Speaker: Order, please. The minister wishes to raise a question of privilege.

Mr. Mackasey: Mr. Speaker, my question of privilege is this. Unintentionally, I am sure, the hon. member for

Skeena on Friday said the following, as reported at page 2889 of *Hansard:*

> Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister about the government's unemployment program. Has he received reports showing that the total number of people unemployed and drawing unemployment insurance benefits now stands at 756,000?

Mr. Speaker: Order, please. I hesitate to interrupt the minister again. We appreciate the point he is trying to make, just as we understand the point which the hon. member for Skeena was trying to make. This, I suggest to the hon. member, is simply a question of debate. It is not a question of privilege at all. The hon. member for Skeena suggests that certain figures were given to the House; the Minister of Labour suggests that those figures were not given to the House. This has nothing to do with privilege. There must be some other way for the matter to be resolved without the raising of questions of privilege.

UNEMPLOYMENT—ESTIMATES FOR JANUARY, FEBRUARY AND MARCH

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on television yesterday the Minister of Finance said that the January figure for unemployment would be 100,000 greater than—

Some hon. Members: Speak up.

An hon. Member: The hon. member's microphone is faulty.

Mr. Orlikow: Mr. Speaker, on television yesterday the Minister of Finance said that the unemployment figure for January would be 100,000 greater than—

Mr. Speaker: Order, please. Apparently there is some difficulty with the microphone. I seek the co-operation of hon. members to give the hon. member for Winnipeg North a chance to ask his question so that it can be heard by the minister concerned and by the Chair. The hon. member for Winnipeg North.

Mr. Orlikow: Mr. Speaker, on television yesterday the Minister of Finance said that the unemployment figure for January would be 100,000 greater than the 538,000 applying to December, and that unemployment would be 12,000 greater in February. Can the minister tell the House and the country whether the figures he quoted on television yesterday were correct and what the estimates of unemployment are for January, February and March?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, when I spoke on television I was simply indicating, and my friend can obtain this information by studying the figures over the years, that the change in unemployment figures between December and January, because of the seasonal factor, is normally about 100,000, and that between January and February this change is usually between 12,000 and 15,000. These figures are all published and available for all members of the House to see. I am referring to the unadjusted unemployment figures over the years. After February the unadjusted figures, those relating to the absolute number of unemployed, tend to decline very rapidly.

Mr. Orlikow: Mr. Speaker—

Mr. Speaker: Order, please. I will recognize the hon. member on his supplementary, but I think I ought to caution hon. members that that type of question ought to be asked directly and that there should not be references to statements made by ministers outside the House. The rule is well known. Hon. members cannot ask ministers to comment on or to confirm or deny statements made outside the House but may ask their questions directly. The hon. member might now be allowed to ask his supplementary, after which I believe the Chair ought to recognize the hon. member for Bellechasse who has been waiting for the chance to ask the lead-off question on behalf of his party.

Mr. Orlikow: Can the Minister of Finance give to the House the estimates made by officials of his department of the actual numbers who will be unemployed in the first three or four months of 1971?

Mr. Benson: Mr. Speaker, I think the Prime Minister has already answered part of that question. I think everyone knows the answer to the other part of the question. I have given it. If the opposition would study the figures which have been published over the years, they would find the seasonal changes that I have mentioned.

Mr. Muir: The Prime Minister says that we must like it or lump it.

* * *

[*Translation*]

AGRICULTURE

DAIRYING—REVISION OF POLICY RESPECTING GRANTS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I want to direct a question to the Minister of Agriculture.

In the light of what he said in Fredericton, at the meeting of the dairy producers, could the minister indicate to the House whether the government is contemplating a change in its dairy policy so as to increase substantially the subsidies paid to dairy farmers?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, as hon. members know, the translation is not coming through the public address system. To answer what I heard, I should like to advise the House that we are working as rapidly as we can with the industry. We had several meetings last week, and we hope we can come to the point at which we can make an announcement within a few days regarding the levels of support.

Mr. Speaker: Order, please. There may be a lack of communication both ways between the hon. member and the minister. Perhaps the Chair ought to recognize the right hon. member for Prince Albert.

Some hon. Members: Hear, hear!

Inquiries of the Ministry

EXTERNAL AFFAIRS

SALE OF ARMS BY FRANCE TO SOUTH AFRICA—CANADIAN POSITION

Right Hon. J. G. Diefenbaker (Prince Albert): I am glad to be able to qualify for the fervor of the welcome that has just been given to me by the House. I rise, as is usual for me, to ask a question. Before I ask my question, might I be allowed to join in welcoming the Prime Minister back to the House. I know something of Prime Ministers' conferences and the difficulties encountered. I join in the welcome to him and express appreciation of the kindly reference myself.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Having done that, I now direct a question to the Prime Minister. Even from the meagre reports from the Commonwealth Prime Ministers' Conference, I gathered that the Prime Minister had raised a strong objection to the sale of arms to South Africa by the United Kingdom. In view of the fact that Canada is a member of the Francophone group of nations in Africa, I have tried recently to get some information from the Acting Prime Minister. I see that the Secretary of State for External Affairs is telling the Prime Minister in advance what the answer should be. Has the Prime Minister communicated directly with the French government to complain about the fact that the French are selling a tremendous amount of arms to various parts of the world, including the latest order of 100 Mirage aircraft to South Africa? In keeping with his strong adherence to the principle in which he believes, has the Prime Minister directly approached the French government to indicate Canada's condemnation of such action? Without the consent of the French government, French munition firms are not permitted to sell arms to various countries.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will begin by answering that the right hon. member has his facts right about Canada's condemnation of Britain's intention to sell arms to South Africa. I cannot say as much for the leader of the New Democratic Party, who does not seem to know these facts. On the question of whether we protested the sale of arms to France, the answer is yes, Mr. Speaker. We protested in the United Nations. In Singapore I mentioned the subject on several occasions. I must confess that my communications with the head of the government of France are not as direct as with the head of the government of Great Britain, who was kind enough to discuss this problem with me. If Mr. Pompidou wants my advice, I will repeat to him what I have said both publicly and privately.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: That is not my recollection. When the Prime Minister wrote a letter to the Prime Minister of the United Kingdom condemning Britain out of hand, he was not asked for his opinion or that it be made public. Whatever the communications are with the Republic of France or the local embassy, on behalf of all Canadians will the Prime Minister consider doing that which he did with such energy against the United Kingdom?

[Mr. Speaker.]

Mr. Trudeau: I am surprised that the right hon. member, who has experience in Commonwealth matters, has not been able to make a distinction between la Francophonie and the Commonwealth. In the Commonwealth the custom is for members to consult with each other frequently on matters which affect the others. In this particular case the Prime Minister of Great Britain said he would consult his Commonwealth colleagues about the opportunity of taking that step and their reaction to it. La Francophonie does not operate in this fashion.

Mr. Diefenbaker: Mr. Speaker, if Canada believes in a principle applicable to the United Kingdom, is it not time it should follow the same principle toward France?

REPRESENTATIONS TO UNITED STATES RESPECTING AERIAL BOMBARDMENT OF VIET NAM, CAMBODIA AND LAOS

Mr. Andrew Brewin (Greenwood): I have a question for the Secretary of State for External Affairs. In view of the increasing American aerial bombardment of Viet Nam, Cambodia and Laos, with the resulting destruction of civil lives and the ecology of these countries, has the Canadian government made or will it be making representations to the United States government on this subject?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have not made any representations for some time. As the hon. member knows, we did make very vigorous representations with the result that there was a very sharp reduction of military activity in Viet Nam, including bombing. We will again study the matter in view of the ecological and other considerations raised by the hon. member.

Mr. Donald MacInnis (Cape Breton-East Richmond): Prior to making these objections to the United States, may I ask the minister if the United States government invited representations, as was the case with the British?

Mr. Sharp: There are occasions when we make our views known in the United Nations and elsewhere. We have no hesitation in making our views known on this matter. I hope they have the support of the hon. member.

Mr. MacInnis: I wish to direct my supplementary question to the Prime Minister. Did the Prime Minister not object to the British sale of arms to South Africa prior to communicating with Prime Minister Heath?

* * *

IMMIGRATION

SUGGESTED PROTEST TO CBC AGAINST PROGRAM INVOLVING CERTAIN VIETNAMESE BARRED FROM CANADA

Mr. E. B. Osler (Winnipeg South Centre): My question is for the Minister of Manpower and Immigration. Has the minister protested through the proper channels the

action of the CBC last evening in giving substantial television time—in colour yet—to five Vietnamese whom he only recently banned from entering Canada because they wanted to use closed circuit television to direct their propaganda to Canadian and American audiences?

Hon. Otto Lang (Minister of Manpower and Immigration): No, Mr. Speaker. Indeed, I was not aware of the incident until this point in time. Of course, it does not strike me as falling within my jurisdiction or offending anything I did in any way.

* * *

WELFARE

RECOMMENDED EMERGENCY FUND FOR PROVINCES BASED ON PER CAPITA INCOME AND UNEMPLOYMENT

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I wish to direct my question to the Minister of National Health and Welfare. Since the federal-provincial welfare conference did not reach any decisions and there will have to be continuing conferences, will the minister advise the House whether he is considering the provision of an emergency welfare fund for the provinces based on per capita income and unemployment rates, as recommended by the Atlantic provinces?

Hon. John C. Munro (Minister of National Health and Welfare): Without agreeing with the premise initially stated by the hon. member, Mr. Speaker, I am sure the hon. member, coming from Newfoundland, is aware that the Atlantic provinces submitted a proposal to the federal government for a change in the cost sharing formula under the Canada Assistance Plan. The hon. member's colleagues from Newfoundland, who attended the conference, are aware that the federal government has that formula under consideration.

Mr. Marshall: Will the minister advise how he proposes to cope with the immediate crisis which exists in the provinces and municipalities in view of the over-extension of welfare budgets? Also, how does he propose to cope with the critical need for immediate relief to those suffering both physically and mentally right at this moment?

Mr. Speaker: Order, please. I suggest to the hon. member and the minister that this question is very wide in scope and would require a statement on motions.

INQUIRY AS TO INCREASE IN FEDERAL PAYMENTS UNDER CANADA ASSISTANCE PLAN

Mr. Stanley Knowles (Winnipeg North Centre): In view of the fact that the problem of welfare costs exists right across the country, can the minister state if he will be making an announcement at an early date on whether the government is prepared to increase the percentage it pays under the Canada Assistance Plan?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker. I cannot precisely state when there will be an announcement in this connection, if indeed there will be an announcement. As the hon. member is aware, in the white paper on income security approximately 14 areas are identified for revision under the Canada Assistance Plan. Negotiations will continue with the provinces on whether a consensus can be developed with reference to them. In the meantime, it is open to the provinces to change their own priorities to deal with this problem and to receive fifty-fifty sharing with a view to more adequately improving this situation.

REQUEST FOR TABLING OF BRIEFS AND REPORTS PRESENTED TO CONFERENCE

Mr. P. B. Rynard (Simcoe North): Will the minister agree to table the briefs of the provincial welfare ministers and the reports of the federal task forces, which were presented at the federal-provincial conference?

Hon. John C. Munro (Minister of National Health and Welfare): As the hon. member should be aware, two of these task force reports were in fact tabled and made public last Friday. The other is not yet complete.

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EXTERNAL AFFAIRS

PROPOSED AMCHITKA UNDERGROUND NUCLEAR TESTS—REPRESENTATIONS TO UNITED STATES

Mr. J. M. Forrestall (Dartmouth-Halifax East): My question is addressed to the Secretary of State for External Affairs. Since President Nixon's budget proposals now confirm that the United States definitely intends to continue underground nuclear testing on Amchitka Island, is Canada considering making further representations to the United States with respect to the continuance of this program and, if so, what is the nature of these representations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): We have now received scientific reports concerning these operations and they are under consideration. We have not made up our minds whether or not they would justify our making another representation.

Mr. Speaker: The hon. member for Surrey.

Mr. Mather: Mr. Speaker—

Mr. Forrestall: I should like to ask a supplementary question, Mr. Speaker.

Mr. Speaker: The Chair has already recognized the hon. member for Surrey so it might be easier to allow him to ask his question. Later, I will return to the hon. member for Dartmouth-Halifax East.

[*Later:*]

Mr. Forrestall: Did the scientific information we are currently studying reach us before the United States made a firm commitment to go ahead with further testing? The Secretary of State for External Affairs is, of course, familiar with the reasons for asking this question

and its great importance to Canadians, particularly those living on the west coast.

Mr. Sharp: We had some knowledge that the United States was considering proceeding with these tests. The information we are studying was received before the President delivered his recent message. Its importance is reinforced by the announcement which has now been made.

* * *

POLLUTION

THREAT POSED BY TANKER TRANSPORT OF OIL FROM VALDEZ, ALASKA, TO CHERRY POINT, WASHINGTON

Mr. Barry Mather (Surrey): My question is directed to the Minister of Fisheries and Forestry. In view of the mounting public protest in British Columbia in connection with the proposed shipment by tanker of massive oil supplies through Puget Sound, can the minister tell us whether the government has accepted this potential threat of pollution? If not, then what is the position?

Hon. Jack Davis (Minister of Fisheries and Forestry): This question, of course, involves international waters—the high seas—and waters off the west coast which are within the sovereignty of the United States. It is thus a matter which concerns the Secretary of State for External Affairs and, since it deals with oil transportation, the Minister of Energy, Mines and Resources. The hon. member may rest assured, however, that the government is seriously concerned about the transportation by large tankers of very large cargoes of oil down the west coast, particularly in the area, hazardous to transportation, of Puget Sound.

* * *

AGRICULTURE

CLOSING OF CANADA PACKERS' SLAUGHTERING FACILITIES, HULL—GOVERNMENT ACTION

Mr. Murray McBride (Renfrew-Lanark-Carleton): My question is for the Minister of Agriculture. In view of the widespread concern felt among farmers in eastern Ontario over the loss of markets represented by the announcement that Canada Packers are closing their slaughtering facilities in Hull, what action does the government plan to take to prevent this loss of a traditional outlet for livestock products?

Hon. H. A. Olson (Minister of Agriculture): I am keenly aware of the concern of livestock producers in the area affected who have traditionally delivered their animals to this plant for slaughter. However, it does not fall within the purview of my department to make announcements respecting the construction of other plants in this area. I should like to advise the hon. member that the regulations concerning meat inspection have not been responsible for the closing of this plant; the action was more directly related to the treatment of the effluent coming from it.

[Mr. Forrestall.]

FINANCE

ECONOMIC COUNCIL COMMENT ON FISCAL AND MONETARY POLICIES

Hon. Marcel Lambert (Edmonton West): Having heard the homily delivered by the Prime Minister on the long-term effects of the government's monetary and fiscal unemployment policy, I wonder whether the Minister of Finance would now agree with the chairman of the Economic Council, and admit he was wrong in criticizing the fifth report of the Economic Council of Canada which warned the minister and the government of the long-term effects of its monetary and fiscal policies?

Mr. Speaker: Order, please. The hon. member's question is very interesting but it is in the form of an argument, or debate.

CONSIDERATION OF PRICE AND WAGE CONTROLS—REQUEST FOR STATEMENT ON INCOME POLICY

Mr. S. Perry Ryan (Spadina): My question is directed to the Prime Minister. In light of statements by the Minister of Labour, is the government actively considering mandatory price and wage controls at this time?

Right Hon. P. E. Trudeau (Prime Minister): Throughout the period when we were actively concerned with inflation, I did say to the House that the government was studying all means whereby inflation could be curtailed and controlled. This was one of the means we were considering, and have been considering.

Mr. Ryan: I take it, then, that it is under active consideration. In light of similar statements by the chairman of the Prices and Incomes Commission and the uncertainty of the economy generally, will the Prime Minister make a statement on motions outlining the position of the government with regard to an income policy for 1971?

Mr. Trudeau: I certainly cannot undertake to make a statement on policy on that particular basis. It is the kind of statement which is generally made in a budgetary context, and it will be made when the next budget is brought down.

* * *

INDUSTRY

MAINTENANCE OF OPERATION OF McBEAN COAL MINE

Mr. Robert Muir (Cape Breton-The Sydneys): My question is for the Minister of Regional Economic Expansion. In view of the possible involvement of the Cape Breton Development Corporation, which is one of the minister's babies, can the minister advise us what steps are being taken by the government to prolong the life of the McBean mine, bearing in mind that 200 men will face unemployment if this mine closes in March as scheduled?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I shall inquire whether some action might be taken or whether is was decided recently to do so and I shall report about it to the House.

[*English*]

AIR CANADA

GOVERNMENT ACTION TO MINIMIZE LAY-OFFS OF EMPLOYEES

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Labour. Did the minister meet with any officials of Air Canada recently? If so, was he pleased with the meeting and can he offer some hope there will be an abatement of the lay-offs proposed by that organization?

Hon. Bryce Mackasey (Minister of Labour): I did not meet with any officials of Air Canada, but our industry specialists met with representatives of both the unions and the company to ascertain what, if anything, could be done to reduce the impact of the proposed lay-offs.

Mr. Bell: We realize that the Minister of Transport has a responsibility in this regard, but will the hon. gentleman undertake to involve himself in this matter having in mind the effect of heavy lay-offs particularly in certain areas?

Mr. Mackasey: It has been the policy of this minister, and of the Department of Labour to be continuously involved with all industries that come within federal jurisdiction at all times.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): In view of the fact that some of the people being laid off have to move today and have been given lay-off notices which will mean that for two weeks they will receive no pay, will the minister undertake to look into this serious situation immediately?

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TRADE

EUROPEAN COMMON MARKET—SEEKING OF ASSOCIATE STATUS FOR CANADA—ACCESS TO UNITED KINGDOM MARKET

Mr. A. P. Gleave (Saskatoon-Biggar): My question is addressed to the minister who answers for the Wheat Board. In view of the fact that the United Kingdom is seeking entry into the European Common Market and the effect this might have on Canadian exports, is the minister studying the possibility of Canada seeking associate status in the European Common Market, and can he inform the House what steps have been taken to ensure access for Canadian grain, pulp, paper and other commodities to the United Kingdom market?

Hon. Otto E. Lang (Minister responsible for the Canadian Wheat Board): The question of associate status is not, to my knowledge, under active consideration. The government is, of course, making representations to Britain continuously about the position of our trade. The Minister of Industry, Trade and Commerce reported not long ago on the most recent discussions he has held with his counterparts in Europe and with the government of Britain.

Inquiries of the Ministry

FISHERIES

LEVEL OF MERCURY CONTAMINATION IN SWORDFISH FOUND UNFIT FOR MARKETING—POLICY FOR GUIDANCE OF FISHERMEN

Mr. Lloyd R. Crouse (South Shore): I wish to direct this question to the Minister of Fisheries and Forestry. In view of the fact that two shiploads of swordfish totalling 30,000 pounds, recently landed in Nova Scotia, were found to be unfit for market because of mercury contamination, can the minister tell us the level of mercury contamination in these fish and indicate whether this level would be such as to prevent the sale of these fish for mink or pet food? Will he also tell us whether his department has established a fishing policy for the guidance of those who fish for swordfish so that they may regulate their operations in the future?

Mr. Speaker: Order. I have some doubt whether the question asked by the hon. member is in order; he seems to be asking for detailed information. But since the matter may be of particular urgency, if the minister has the information he might convey it to the House.

Hon. Jack Davis (Minister of Fisheries and Forestry): Unfortunately, most swordfish caught on the high seas at a considerable distance from Canada contain more than the half part per million of mercury. The older, larger fish are having to be condemned, at least for human consumption. We are looking into this situation very carefully and if there are any alternative uses for the swordfish that have already been caught we will certainly make use of them.

Mr. Crouse: Mr. Speaker, since the entire swordfishing operations of Atlantic Canada have now been brought to a standstill, can the minister indicate whether he or his officials have established some policy for the guidance of those men who are now unemployed through no fault of their own?

Mr. Davis: Mr. Speaker, we will endeavour to do much the same thing that we did for other fisheries in this country, namely, to support the incomes of fishermen until they can either find work in another segment of the fishery or be retrained for employment in other industries.

* * *

[*Translation*]

YOUTH

INVITATION TO SEND DELEGATES TO COUNCIL OF SOCIAL DEVELOPMENT CONFERENCE

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a question for the Secretary of State.

Can he tell us whether the government has been invited to send representatives to the Canadian Council of Social Development Conference on Student Employment and Transient Youth Services? If so can he tell us what departments will be sending representatives and whether officials of the Department of National Health and Welfare have been invited to attend?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I have no recollection of any invitation emanating from the organization the hon. member has just mentioned. I will however make inquiries in this regard in order to be able to pass on to him the information he wants.

[*English*]

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Friday, January 29, consideration of the motion of Mr. Drury (for the Prime Minister) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to the committee of the whole.

Mr. John Burton (Regina East): Mr. Speaker, I think it is very important that we have a thorough debate on Bill C-207 in view of the wide range of subject matters involving government operations that are covered by this bill. I recognize the unavoidable absence of the Prime Minister (Mr. Trudeau) recently, but at the same time I think it important that he be present during this debate, and that we hear from him about some of the implications and consequences that flow from the changes that are proposed in Bill C-207.

I did note that when the Prime Minister returned to Canada from the Commonwealth conference he chose to make a reference to the business that has been dealt with by the House of Commons during his absence and indicated some impatience with the progress being made by the House of Commons. Just what the reason is for this impatience I find difficult to tell. As a result of this comment, I took the time to review the matters dealt with by the House of Commons during the 15 days since we recommenced the session on January 11.

First of all, we have spent four days on this bill, the government reorganization bill. I suggest it was necessary to spend this time in view of the many matters the government has chosen to include in the bill and in view of some of the consequences of it. Two days were spent on the budget debate. I would ask whether the Prime Minister feels we should not have spent those two days on the budget, since they were devoted by agreement to a consideration of the very serious unemployment problem facing Canada. We spent two days on the young offenders bill, as a result of which the opposition persuaded the government to delay further consideration of the bill until it had considered some representations that have been made and reviewed its position. I suggest that, in taking this stand on the bill, the opposition was fulfilling one of its responsibilities in this House. That disposes of eight of the 15 days.

I do not want to deal in detail with the remaining seven days, but I do wish to point out to the Prime Minister that the House of Commons gave third reading to seven items of government business. Most of those bills were of some importance and consequence to Canada as a nation. One bill received second reading and then went through the report stage. There was also a motion to refer a subject matter to a committee of the House of Commons. I suggest that, in light of the business dealt with during the absence of the Prime Minister, the House of Commons has in fact been carefully discharging its responsibilities during that period.

To turn to Bill C-207 now before the House, I may say I took note of the comments made by the President of the Treasury Board (Mr. Drury), who introduced this bill on behalf of the Prime Minister on January 26. At the conclusion of his speech, he asked for the co-operation of hon. members in giving the bill careful consideration and speedy passage. I suggest that there is a conflict between those last two phrases, "careful consideration" and "speedy passage", for the reasons I have already enumerated.

The fact is that in this bill we have a mish-mash of many aspects of government operations. Possibly there is some justification for including some of them in the same bill, particularly those items dealing with executive functions and executive operations of the government. However, also included in the bill are some very important provisions that involve new precedents and departures from principle as they relate to the public service of Canada. Just what sort of rationale the government used in putting together these two areas, matters dealing with the executive functions of government and matters dealing with the public service, I fail to see.

I think there are implications in the decision the government made to include all these items in the one bill. In fact, I think this points to the view of government that is held by those on the treasury benches. As pointed out by some other members, we really have a group of technocrats running the government. I think this point was made very well by the President of the Treasury Board who, in introducing the bill on second reading, said as reported on page 2769 of *Hansard:*

> In essence, the government organization bill deals with the constant challenge facing Parliament and the government—

Then, the first point he made was this:

> —to be as efficient as possible in doing those things which are in the interest of the Canadian people and society.

I suggest that this is the view of a technocrat. To be fair, I should also point out that the minister went on to mention the changes taking place in Canadian society, and said there were implications for the relationships between governmental institutions and our changing society. Nevertheless, the first point he made was the one of efficiency. It is the view of some technocrats that an attempt should be made to make efficiency an end in itself rather than a means to an end.

I suggest that the government needs to give more consideration than it apparently has to some of the implications that flow from the bill now before the

House. One of the most important of these that I feel requires consideration is the balance between the executive arm of government and the legislative arm of government. In recent years we have witnessed an increasing concentration of power in the hands of the executive branch of government. We have had any number of examples within the past two or three years which indicate that the sole concern of the government has been to increase the power of the executive branch.

• (3:40 p.m.)

One example, of course, was the introduction of the roster system, and the manner in which the government did it. I want to say that I sympathize with the situation of ministers generally, in view of the very wide range of responsibilities they face and the difficulties imposed on any group of human beings in discharging these responsibilities. Again, I would have to point out that what we had was the imposition of this roster system on Parliament with some unfortunate consequences. I should have thought it would have been quite possible, by following a procedure of negotiation and the exercise of a little patience, to have worked out a system that would have been acceptable, to all concerned. In fact, I suggest that, in the long run, the government would have been caused less trouble than it has had as a consequence of the manner in which it imposed this new ad hoc system.

We had the introduction of regional desks in the Prime Minister's office. Again, this involved a concentration of power and a bypassing of Parliament through the setting up of independent machinery which was responsible only to the Prime Minister. I think this has resulted in an imbalance of power in our governmental structure.

Then, as well, we had rule changes, some of which were introduced by the government. Most of these rule changes, I think, met with the general approval of members of the House of Commons. However, I suggest that the intent of the government in forcing through some of these proposals, and in particular Rule 16a, was to disrupt the proper balance between the executive and the legislative functions of government.

There are also consequences arising out of the use of the committee system and some of the changes which have been made in the operations of the committees of the House. I do have to say in that context that I think all of us recognize that, to some extent, we are experimenting. We are in an experimental stage in dealing with the rules which relate to the operation of the committee system as it is presently embodied in the structure of the House of Commons. There are some satisfactory aspects to the operation of committees, but I think there are also problems that have to be taken into account. I think the fact is that the committee system, as it has operated over the past two years, has in effect reduced the power of the House of Commons in areas which are the proper jurisdiction of the House of Commons.

Another area in which there have been developments relates to the increase in staff and the increase in powers and functions of the Prime Minister's office as well as the office of the Privy Council. This aspect is well known to hon. members and again can only result in a further imbalance of power. As a matter of fact, there are some suggestions that this change has resulted in some imbalance of power within the Cabinet itself. The suggestion is that the result has been to concentrate power in the hands of the Prime Minister and those around him. The developing trend, therefore, has been a rising growth in ministerial staffs. This is, of course, related to the increasing role that Parliament or government must play in our society. This, by itself, should not be criticized. It simply must be noted when we are taking into account the changes which are to be made in the executive and legislative functions of the government.

We have a further growth in the ministry. This, of course, has to do with the executive branch. There is provision for a number of ministers of state within the government. We are going to have more Parliamentary Secretaries and a larger cabinet. Possibly they are needed and possibly further development is needed. I am not going to argue against these changes in view of the very important role the government must play in our society today, but again we have the government concentrating the growth in the executive function and the power of the executive. I think the question must be asked, where is the balance in this situation? I think the power of Parliament to act has been reduced, and this has been noted by many parliamentary authorities on the constitution and government of Canada. Comments to that effect appear in a number of texts which I could cite if necessary. These authorities have, in fact, pointed out that, in many respects, Parliament is in the hands of the Cabinet. I suggest that the power of Parliament has been reduced, in particular in dealing with money matters. This, of course, goes to the very core of the Power of Parliament as we know it, and as it must function if we are to preserve and develop our parliamentary institution.

There have been a number of token gestures to help the opposition parties in particular, and private members in the House of Commons, including such things as extended research assistance. Of course, this assistance has helped the private member and Parliament, but I suggest that in no way does it begin to offset the increasing power of the executive as we have seen it. While I am on this subject, Mr. Speaker, I think it is important to note, as I have had occasion to do during some other debates in this Chamber, the comparisons that are often made between Canada and Great Britain. I believe the President of the Treasury Board made similar references when he was introducing this bill.

The fact is that while our parliamentary institution and our system of government has been modelled on the British parliamentary system, we do have to keep in mind the fact that Canada is a different sort of country. In the first place, we have a federal system of government rather than a unitary system. This imposes some very fundamental differences on the way in which government operates. We are at a different stage of development. The geo-economic structure is different, and I think as such it imposes some real differences on the operation of government and our parliamentary institution.

While at this stage I should also deal with some of the provisions of Bill C-207 concerning the ministries and ministers of state. I know that some rather extensive powers are to be given to the Governor in Council in deciding on the need for a new ministry of state. Clause 14 of the bill, if I might be allowed to quote briefly from it, reads:

> Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the Government of Canada warrant the establishment for the time being of a special portion of the public service of Canada presided over by a Minister charged with responsibility for the formulation and development of such policies, the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

True enough, this does introduce some flexibility into government operations. It also begs some questions and it leaves some questions hanging in mid-air. For one thing, it seems to me in reading over this particular clause, along with some of the others, the question of the status of these ministers of state within the government and the Cabinet is left in the air. It seems to me there are some unexplained aspects and areas which are not completely clear. Will these ministers be of Cabinet rank or are they in fact going to play some different sort of role within the government?

In addition, I also note that there is no time limit in respect of the phrase "for the time being". It seems to me that the use of this phrase does suggest this is a temporary arrangement or an arrangement which is of limited duration. However, since there is no provision to limit the existence of these new ministers of state, we could see a new ministry of state established, as is provided for in clause 14, for the time being, which in fact became a permanent institution. It would then have been established not by this Parliament but by the Governor in Council. I suggest this is not the proper way to proceed with the business of government. I also note that power is given under clause 15 to transfer functions from other departments or other agencies of government to one of these new ministries of state.

• (3:50 p.m.)

I suggest that here is another important consideration. If parliament does vote money for the use of an agency or a department of government and then the reorganization is carried out, under the provisions of this bill power is given to transfer some of that money from existing agencies or departments to this new ministry of state, and this new ministry of state may in fact be constructed on an entirely different set of principles. In fact, the establishment of this new ministry of state may involve completely new departures from government policy. The departures from government policy may be completely acceptable to Parliament, to myself and to other Members of Parliament, but the fact is that the government is given the power in this bill to transfer moneys which have been voted for one existing structure, and presumably a certain set of policies which go along with it, to a new agency which may be operating on a completely different basis. Of course, that would apply only within the fiscal year in which the particular change occurred, but again I suggest it is a violation of the principles of parliamentary government and of the control of Parliament over money matters.

I think also we must keep in mind what is happening with regard to the collective ministry. Here, I note one of the comments by the President of the Treasury Board. He suggested that the warp and woof of our ministerial system is very complex. I am not quite sure what interpretation might be placed on that remark. The interpretation of some people is that things are going to the dogs. Certainly, there is a good deal of foundation for that belief. I think the government is warping many of the responsibilities which they have been called upon to bear, and with respect to the woof, there are indications that many aspects of our affairs are going to the dogs.

We have to keep in mind what is happening to the various ministries because it would appear that the government is embarking on some new departures in policy with regard to the ministry. It would appear that the government is perhaps taking a partial step at least towards the British system which does involve a separation of the functions of the cabinet and of many of the ministries which exist within the British government. I suggest that we need a clearer elaboration on this particular point, and on some of the implications and consequences of the provisions of this bill with regard to the over-all operation of government. I suggest, with all due respect to the President of the Treasury Board, that this can only come from the Prime Minister. This is why we need to hear from the Prime Minister in this debate. I want to make clear that I feel there will be many occasions in dealing with the problems of society as they exist today when it will be necessary to have special agencies such as are provided for in the sections dealing with the establishment of various ministries of state.

However, I think we do need to reconsider some aspects of this particular portion of the bill. At the same time, I should also state that reference has been made to the possibility of appointing a minister of state for science policy. We are going to have a minister of state for urban affairs and possibly in some other areas of government activity as well.

There is one particular area to which the Prime Minister should give his attention. I refer to the very serious state of affairs that exist in Canada today because of the fact that the rural society in Canada is disintegrating at present, in some cases as a result of policies and in others because of the absence of policies. At present we have a number of departments of government which are concerned with one or more elements of rural affairs in Canada, but nowhere do we have a co-ordination of those efforts. The Department of Agriculture, of course, is involved; the Department of Regional Economic Expansion has also been involved in rural problems and rural affairs. A number of other departments must of necessity be involved as well, each with their own particular area of responsibility. But nowhere do we have a co-ordinator, at least in terms the public can identify or that can be identified by members of the House. Thus, I would sug-

gest that in a reorganization of the government consideration should be given to the establishment of a ministry of state for rural affairs. I will not attempt to spell out any thoughts I might have at this time concerning what it should include or how it might be structured. However, I feel there is a good case for giving consideration to the establishment of such a ministry which could co-ordinate the activities of the government in dealing with the problems of rural Canada which are very serious indeed and which, I feel, must be taken into account by the government in the near future if we are going to salvage any sort of viable rural society in Canada.

One of the more important aspects of the bill has to do with the establishment of a department of environment. I noted very carefully the remarks of the Minister of Fisheries and Forestry (Mr. Davis) who is the minister designate for this new department. I noted also some of the steps that are proposed and some of the steps which are being taken to deal with the problems of pollution and environmental planning. I am sure all hon. members will agree with those steps. I think that this is a very important new department of government. I suggest that when we are dealing with problems of pollution and of environmental affairs and planning, in fact we are dealing with some of the crunch issues that face society today, both in Canada and in other countries. The fact is that the state of our environment, its deterioration, is one of the causal factors of the social discontent in our society today. I say that because in today's society young people in particular note that there are two particular elements present around them which could result in an end to human life on this planet within their own lifetime. One is the threat of nuclear war, and the other is the possibility of environmental deterioration which would make life on this planet no longer possible. I suggest the realization that there are elements present about us today that could result in a termination of life does result in some of the impatience which we see about us in society and some of the discontent which we have seen expressed in so many forms within recent years.

In dealing with the new department, I think it must be noted that this is where we will have a crunch between government and industry. This is where we are going to face the crucial issue of whether industry will be required to operate in the public interest or whether it will continue to be allowed to operate strictly for its own profit, its own narrow interests and benefits. This is where we are going to face some crucial issues, such as whether or not the government has the determination to ensure that industry in fact takes the necessary actions to develop a better environment so that we all might live healthy lives.

There are two or three other issues which I should like to mention as well in dealing with the new department of environment. One has to do with the potential conflict which I feel must be taken into account and which should be drawn to the attention of the House. The department of the environment will be concerned with all aspects of the natural state of life, and this will have particular consequences in northern Canada where the ecology is very fragile. On the other hand, the Department of Indian Affairs and Northern Development and the Department of Energy, Mines and Resources are more concerned with the economic and commercial development of that area. It seems to me that there is ground for potential conflict within the framework of the departmental structures as proposed in this bill, taking into account this area. It is a problem which must be noted by hon. members, and by the government in particular.

• (4:00 p.m.)

I find it difficult to understand why the government dos not propose to transfer the national parks service to the proposed department of the environment. It seems to me it is a natural for inclusion within that department. This is an agency dedicated to the preservation of certain areas in their natural state for the use and benefit of all our people. But it is not being transferred to the new department. It is being left with the Department of Indian Affairs and Northern Development, even though responsibility for the Canadian wildlife service and for the Migratory Birds Convention Act is being transferred to the new department.

The bill proposes the establishment of a Post Office Department separate from the Department of Communications. This, of course, involves a rather long, sad story which I do not intend to relate at this point. However, I would like to take this opportunity to place one matter on record again, the matter of rural postal service. I am very much concerned about it because I have had to deal with a number of problems in my constituency, and I know the problems in other areas of Canada, where the withdrawal of postal service seriously affected rural communities. I must say that in some instances I could not argue against the withdrawal of postmasters from small communities, but I wish to place on record once again a proposal which I made when I was speaking in the Throne Speech debate last October. I see no reason why we could not develop a sub-post office system in some rural areas similar to that which operates in large urban centres. I see no reason why we could not have a main post office located at some central point, with a number of sub-post offices operating under its jurisdiction to ensure an adequate standard of postal service for all the settled rural areas of Canada.

Much has been said during this debate about the proposed amendments to the Public Service Superannuation Act. Needless to say, Mr. Speaker, I take serious objection to some of the provisions in this respect. I fully sympathize with an attempt on the part of government to introduce a greater element of flexibility in its personnel management policies. Certainly, I am not going to stand in the way of any reasonable steps which will enable the government to deal with its personnel-management problems in a better way, but I am not prepared to support a measure which will provide a degree of favouritism to some people in the public service which is not available to others. I feel that these proposals in Bill C-207 are very objectionable.

This is one of the most important pieces of legislation to be brought forward during the current session of

Parliament. I am very unhappy at the government's handling of the bill, and at the manner in which it was introduced. I am very unhappy when I think of some of its implications and consequences, and that is the reason for my intervention in the debate today.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my first remarks in connection with this bill on the fifth day of debate are to express a rejection of any question of an apology for a continuation of the debate. I can only express regret that the Canadian media have seen so little in this bill which is about to transform the structure of parliament, of the Governor in Council, and the relationship between the two. They have been deluded, as in the past, by siren songs of efficiency, of flexibility, and themes of that kind. And yet every time that this is done it is done at the expense of parliament, at the expense of the House of Commons.

This is another slice of the salami sausage, only this time it is a big chunk that is being taken. I shall go into that in greater detail when I discuss the proposals to set up the ministries of state and then, by proclamation, make the necessary changes. It seems that this administration has forgotten one fundamental principle. This House is not responsible to the cabinet, nor does it owe obedience to the Prime Minister (Mr. Trudeau). The Governor in Council is responsible to this House, but to see it behave, to see what the Governor in Council wants to do, you would never believe that. It rides roughshod over the principle of having to come to this House to justify its actions.

Every time we give the Governor in Council power to do something it is an abdication; it is a *laissez-passer;* it is a carte blanche to go and do something without telling parliament. I know it will be said, "well, there will be provision in the estimates thereafter." Just whom are they trying to fool? Is the President of the Treasury Board (Mr. Drury) going to try to substantiate that argument, that there is control by authorization after the event, that there is control after the payment of the salary of a minister? What debate is there on the salary of a minister? What debate is there now on any estimates? What opportunity is there for justifying the restructuring of government? Mr. Speaker, government is responsible to this House. This House is not a tool of the cabinet. But this cabinet is composed of technocrats and former bureaucrats who insist that this House must be molded, must be trapped, must be formed into some complacent organization. It makes me think that in the minds of those who have designed this they wish a rubber stamp assembly, merely to say yea or nay, much as we see in various countries around the world operating under despots, benevolent or otherwise.

• (4:10 p.m.)

In precisely a bill of this kind, and by this devilish principle, you can see the manacles being fashioned to be tied to hand, to wrist, and to ankle of this House. Oh, it will be made to sound very plausible, very smart, and acceptable under the guise of so-called efficiency and flexibility. The government backbenchers have been hoodwinked all the way through. Some additional parliamentary secretaryships have been thrown to them as a sop. They are just pennies for children, candies for grasping, greedy kids.

Some hon. Members: Oh, oh.

Mr. Lambert (Edmonton West): That is what this is. There is no need for all these new parliamentary secretaryships. We shall see, when we see the final composition of the ministry with the four categories of ministers, just how big the cabinet will be. I suppose that a parliamentary secretaryship will become a first rate status symbol. Parliamentary secretaryships will become status symbol No. 1. The government will appoint a few more members from the backbenches who have had no experience of parliamentary secretaryship. May I say that I spent many years as one. I have some idea of the duties of that office, of the potential of that office and how few ministers are able to recognize the best way to use their Parliamentary Secretaries to full advantage. Most ministers have been scared of their Parliamentary Secretaries. They are frightened they might take some of the shine away. This has been one of the facts of life in the past. That appointment was made as a reward on a regional basis, or for good attendance, or far too often for some other capricious reason. On the other hand, there have been some very notable exceptions of ministers who understood how to use a Parliamentary Secretary. Such ministers used the Parliamentary Secretary to his best advantage and, as well, for the general benefit of the department and of the minister. I will deal with that question in a moment.

Having said that, I hope, for goodness sake, that the press, the radio and television, instead of chasing their tails like puppy dogs on other fluffy issues, will look at this particular bill and see how serious it is. Oh, there has been mention of it, but that has been in passing. The hare is running another way and they all want to chase after it. Yet the principal game is here, in the consideration of Bill C-207, and they ought to pay attention to this debate.

I want to join in the general resentment and objection to the omnibus nature of this bill. I made some remarks to Your Honour at the opening of this stage of the debate about that matter. I have noted Your Honour's remarks and, of course, do not question your decision. Yet I wish, with the greatest of respect, to underline to the Chair the absolute requirement, and I say this in all seriousness because I have had some experience in that position, that any question put before the House must be capable of resolution in a clear and straightforward manner, readily understood by hon. members. There must be no tricky solutions. Yet, Mr. Speaker, this bill, to import a phrase, is too clever by half. It is a contradiction of principles. Oh, we were fed some pap the other day.

We were told that this bill was for the greater efficiency of government. The President of the Privy Council (Mr. MacEachen) said that the underlying principle of the bill was the more efficient organization of the government. What a lot of nonsense that is. As I said to Your

Honour, we could take all bills relating to one ministry and lump them together into an omnibus bill. I suppose then that we should consider 15 or 18 bills during the year. For instance, we could take all the bills dealing with trade and lump them together. After all, it could be said that they are for the improvement of the trade of Canada and that that is the principle of that bill. Surely to goodness, we are not reduced to that; and therefore I say, this bill must be rejected. This bill must be rejected because of its manner of presentation. Separate bills should be introduced, as was done in the past. When the ministry of forestry was first set up, an appropriate bill was brought in and discussed. When fisheries and forestry were combined, there was a government reorganization bill. The previous administration under Mr. Pearson brought in a proper bill for that.

Mr. Drury: That was dealing with government organization.

Mr. Lambert (Edmonton West): But it certainly did not do all that this bill seeks to do. This bill is to extend to deputy ministers or deputy heads certain continuing privileges with regard to superannuation. What on earth has that to do with the setting up of the department of environmental control or with the redefining of the duties or responsibilities of the Department of Energy, Mines and Resources? I have no cause for complaint about the latter department. What has it to do with the redefinition of "Post Office". After all, that poor orphan has been left out in the snowdrift since last fall. One can almost see the Minister of Communications (Mr. Kierans) pining away from the lack of attention in this House. That is fine. That is proper reorganization.

But, Mr. Speaker, will the President of the Treasury Board (Mr. Drury) tell me what that has to do with reducing the period of service in the Public Service after which some shall be entitled to additional pension benefits? What has that reorganization to do with an obvious sop to some deputy ministers, now or in the future, who are to be allowed to continue contributing to the superannuation fund after they have ceased their government employment? What has all that to do with the organization of the government? Nothing at all. Nevertheless, hon. members are interested in seeing the establishment of a department dealing with environmental control and the consequential changes regarding responsibilities in the Department of Energy, Mines and Resources. As I was indicating, there possibly will be a narrowing of the definitions of the responsibilities of the latter department so that perhaps the minister will not make a damn fool of himself with regard to oil and gas.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): That way he can concentrate on a few lesser matters and perhaps pay better attention to them.

Mr. Paproski: Sock it to them.

Mr. Lambert (Edmonton West): I will give general approval to the establishment of the department of environmental control. Having said that, Mr. Speaker, I am sure I can say, and I think most of us will agree, that that is not the solution. The setting up of the department will not solve the problems of pollution. This is only putting together a framework. We see the direction of the intention. I hope that there will not be an attempt to bring in all sorts of bits and pieces from wherever they can be gathered in the Public Service, and that there will not be the sort of growth in the department that we have seen in the Department of Consumer and Corporate Affairs, the Department of Regional Economic Expansion and that we saw when the President of the Treasury Board was minister of industry. In those cases we saw empires being built. We then saw some of them being torn down again. We saw how much swelling went on. Thousands of public servants were engaged in a wild campaign of empire building. We hope this will not occur again with this particular department. This department cannot be another organism of government that is given an unbridled head to grow and proliferate.

• (4:20 p.m.)

I would like to see a much more highly organized department which placed emphasis upon efficiency and co-operation with other levels of government. It will not be the only department that has to deal with the control of pollution. The provincial counterparts and municipalities will also have responsibility. All responsibility will not be in the hands of one mammoth department.

I was completely mystified when the hon. member for Regina East (Mr. Burton) suggested that the national parks should be under the jurisdiction of the minister responsible for the control of pollution. I suggest to the hon. member that there are plenty of national parks which are for the benefit of the people and not for a bunch of theorists. The protectionists would put up 15 foot fences around large areas of the country, lock the gate and throw away the key.

Mr. Burton: Environmental planning, not pollution.

Mr. Lambert (Edmonton West): That is not environmental planning. When it comes to the philosophy of the national parks, in many instances it is just for the preservation of bears. Those people who have never been in a national park are quick to state their opinions. Those who have direct contact with the advantages and problems of national parks are scoffed at by the self-proclaimed authorities who live thousands of miles from any meaningful national park.

I already referred to the Minister of Energy, Mines and Resources. As he will have fewer duties in the future, I hope that this will eliminate the possibilities of the wild performances we have seen in the past months with regard to oil and gas development, sales to the United States and our relationship to the United States with regard to resources development. Perhaps he will have more time to pay attention to the facts with regard to our nuclear policy. Hopefully, he will have an opportunity to read the report of the Senate Committee on Science Policy with regard to nuclear development. The Presi-

dent of the Treasury Board raises his eyebrows. He used to have responsibility for nuclear power generation and heavy water production, so perhaps he is sensitive. The Minister of Energy, Mines and Resources should be able to stick to the facts rather than make wild sounding statements.

I now wish to deal with the creation of ministries and ministers of state. This is where my qualified assent to the bill ceases. As I indicated earlier, I think that Parliament is being raped by this very subtle step. The government has stated "Give us the powers and we will look after them in the future." Parliament is being asked to grant these powers carte blanche.

In the context of the Canadian organization, the Prime Minister of Canada (Mr. Trudeau) is more powerful than the President of the United States within the United States and the Prime Minister of Great Britain in respect of the British Parliament. There is less restriction on the Prime Minister of Canada than there is on the head of the two countries which I mentioned.

The government wants to create five ministries of state to be established by proclamation of the Governor in Council. Why is Parliament being asked to do this? Not one justifiable reason has yet been advanced as to why the government should not come before Parliament before creating a new ministry. The hon. member for Regina East referred to the wording of clause 14 a few moments ago. I will not put it on the record. However, if one reads these words in clause 14 he will see that there is no hope left for this House. That is what will happen if the Prime Minister and the Governor in Council obtain this reserve supply of ministries.

Under the terms of clause 16 the Governor in Council, by proclamation, may vary the means and nature of departments. The government does not have to come before Parliament in order to create these five potential ministries of state. I suggest that with a little care, at least half of the really worth-while areas of responsibility within the government could be concentrated in five ministries. It would not take me very long to calculate how much of the controlling features of government could be included under five ministers of state. There are going to be four categories of ministers. There is nothing to prevent a cabinet of ten, which would include five ministers of state who would have responsibilities of an all-encompassing nature. A minister of state for economic affairs could be responsible for trade, industry, finance and revenue. The heart and core of government could be under the jurisdiction of five ministers of state. Five ministers and the Prime Minister could control everything in a cabinet of ten ministers. The cabinet, by proclamation, could play around within the compass of these five ministers of state. Hon. members opposite are so easily satisfied. They do not have any qualms or uneasiness about what might happen.

• (4:30 p.m.)

Now, if there is to be a ministry of state for a particular purpose, if it is to be called a ministry in name, like others, why change the name of the chief executive officer, now to be known as a secretary, not as an under-secretary? We already have a secretary of two departments. We have a Secretary of State; we have a Secretary of State for External Affairs. Their chief executive officers are know as under-secretaries. But, to take one example, there is to be a ministry of state for urban affairs whose chief executive officer will be known as the secretary for urban affairs. Is he of cabinet status, or is he not, in the minds of the public? We have a Secretary of State who is a cabinet minister with definite responsibilities, well-know by tradition. There is no confusion. But as to the Secretary of Urban Affairs, what happens in that case? C'est un autre fonctionnaire. But he has a title of the same rank as a cabinet minister. Why contribute to confusion?

Mr. Drury: What about the Secretary to the Treasury Board?

Mr. Lambert (Edmonton West): Well, he is not an official who is seen by the public to that extent. And then again, I would say there was perhaps a lapsus ommisus on the part of Parliament when Treasury Board was set up as a separate ministry. At the time the title "Secretary of the Treasury Board" really came into being the Minister of Finance was the President of the Treasury Board—it was not a separate ministry to that extent. Of course, the hon. gentleman is quite right. I am glad the President of the Treasury Board (Mr. Drury) has brought this point to my attention. Perhaps my criticism should have been made earlier. However, I believe it is highlighted now. I would say that the Secretary to the Treasury Board, that this official, if indeed he is the senior official directly under the President of the Treasury Board, should be known as Under-Secretary, if he is the deputy minister, because after all there is no reason why a man should be known as a Secretary for Urban Affairs when his minister of state will be known as the Minister of State for Urban Affairs.

As I said earlier, there has to be a minister of a department and I suppose that is category one—or is he to be known as a sort of minister, class four? You know, like deputy minister one, deputy minister two, deputy minister three. We now get into categories of ministers. I suppose the minister class one would be a minister without portfolio, a minister class two would be a plain minister of state who had been appointed to assist somebody. Third, the ministers of a ministry of state would be ministers class three, though their salaries would be about the same. Then, of course, there are posts of prestige with some additional "perks". They would be the ministers of departments, the ministers class four. But what sort of catch-all is this? It is like a cat's breakfast.

I am wondering what kind of a cabinet will emerge out of this. All ministers of equal rank meeting together, some 30 odd? The President of the Treasury Board knows very well that there will be no decisions reached in meetings of a cabinet so large; it merely becomes a debating society unless there is, shall we say, one presiding thereover who is not so benevolently disposed that

any discussion can take place. In that case, everything will be approved in accordance with the wishes of the Prime Minister. That, of course, is a possibility. But in my own limited cabinet experience I always felt that 25 was far too many. Ultimately, one would come to the idea of an inner cabinet. So, there will be ministers of state who will not be entitled to attend all cabinet meetings. Oh yes, ministers class three and ministers class four might make it into cabinet, but a minister of state would not be required to attend unless the affairs of the department to which he is related were under consideration, or a report on which he had been working was up for discussion. And, of course, the poor old minister without portfolio would be called in only now and then. It would be the old story of "don't call us, we'll call you". I can imagine what type of jealousies this will cause as between competing ministers, the jockeying that will go on, the knifing that will go on—

Mr. Langlois: Speaking from personal experience?

Mr. Lambert (Edmonton West): Non, monsieur, not at all. When it comes to personal jealousies and knifings, the President of the Treasury Board went through a period of years here from 1963 to 1966 when the place was awash with blood.

Mr. Langlois: You can start from 1958.

Mr. Lambert (Edmonton West): The hon. former Parliamentary Secretary was not here in those years.

Mr. Langlois: I read.

Mr. Lambert (Edmonton West): There was a short period when there was disagreement but it finished very quickly. That is the way it went. It is not the first time it has happened and it likely will not be the last, because it is the nature of men that they disagree and sometimes they disagree violently. So, there you are. In any event, let us say that this framework here is made to order for nights of long knives.

Another point I shall refer to is administrative in nature. It affects the transference of funds under clause 16, the question of the transference of funds without authority by way of an estimate and an appropriation bill for a particular ministry. I believe we shall see attempts made to transfer funds by way of a proclamation or order in council. The President of the Treasury Board could possibly take it upon himself to give the House an unqualified undertaking that such a proclamation will not be used to effect the transference of funds from one ministry to another. It is my view that there is only one way of lawfully transferring funds from one ministry to another and that is by means of an appropriate item in the appropriation bill.

Mr. Drury: And the Transfer of Duties Act?

Mr. Lambert (Edmonton West): That is the only way to do it—to obtain parliamentary sanction. I certainly do not agree that it could be done by proclamation. Clause 16 is the one which makes the changes. Oh, it seems to me that within the last 18 months some subterfuge was attempted, but the government was caught; it had then to stand red-faced, protesting its innocence, saying something had perhaps been done through inadvertance. This is something we should avoid. I would point out to hon. members on the government backbenches that they have a responsibility. They do not realize how they are being shackled, manacled and muzzled. That is something that should be made absolutely clear.

• (4:40 p.m.)

I also wonder why we must have this increase in the number of Parliamentary Secretaries. The number, of course, will be limited by the number of ministers class 4, as I call them. They are the ones who will come under section 4 of the Salaries Act. The ministers of ministries of state will come under section 5 of the Salaries Act and will not be entitled to parliamentary secretaries, but the section 4 ministers will. With all due deference, not every minister in the list requires a Parliamentary Secretary, though I know some ministers who could really do with two.

Mr. O'Connell: What we should have is more ministers.

Mr. Lambert (Edmonton West): The other way to approach it would be a proliferation of ministers. However, some ministers, who I will not name, could quite easily employ the services of two parliamentary secretaries, two good men or women as the case may be, providing they are given their head to go ahead and work.

As I have already pointed out, I have had over 14 years' experience in this House. I came into the House as a Parliamentary Secretary. I was fortunate in the minister I first struck because he was quite prepared to assign as much work as I wanted, and sometimes quite a bit more. But some of my colleagues were not so fortunate.

I also remember when I occupied the chair Your Honour now occupies, and on other occasions when I have been on this side, seeing some really good men literally wither on the vine because they had a minister who was either jealous of the potential of his parliamentary secretary or who did not know how to delegate authority.

It seems to me absolutely ludicrous for an intelligent Parliamentary Secretary to stand up in the House when an ordinary question is directed to his minister during the question period and to mutter or stutter that he will take the question as notice.

Mr. Knowles (Winnipeg North Centre): He gets $4,000 a year for that.

Mr. Lambert (Edmonton West): I am glad to see that in some instances ministers use their Parliamentary Secretaries to pilot legislation through the House. Not necessarily major departmental legislation, but certainly many of the amending bills or legislation from the other place, which is usually of an amending nature, can be taken through the House in this way. Let the minister take through a major bill by all means. I know the hon.

member for Winnipeg North Centre (Mr. Knowles) will express horror, but I would use more Senators in the cabinet to avail myself of the talents in parliament. I would also make Parliamentary Secretaries more responsible in the House. I would not be averse to using a minister of state or a Minister without Portfolio to cover in the Commons a minister who sits in the Senate. The British parliament has functioned very satisfactorily in this way for decades—no, far longer than that. Some present day cabinets draw about one third of their members from the House of Lords, and their spots are covered off quite adequately in the House of Commons by Praliamentary Secretaries or ministers of state. It seems to me this is the way it should be done.

I should like to see Parliamentary Secretaries take more charge of debates. Let them be responsible for the debate behind the minister. It is not for the minister's office, for some lackey or executive assistant in the Minister's office, to take charge of a debate; that is the responsibility of the Parliamentary Secretary who should know what is in the legislation. Let him organize the debaters behind the minister if the government is putting up speakers. However, this government and others have been far too prone to muzzle their members and not let the backbenchers in on the discussion of legislation. If the Parliamentary Secretaries want any tips on how to organize a debate, let them consult the opposition chairmen of committees and also former Parliamentary Secretaries over here who have had that task. I think there is a tremendous future in the use of Parliamentary Secretaries if proper use is made of them.

However, I am just wondering whether this is some means of taking wholesale care of the deficiences of our parliamentary pay as far as government backbenchers are concerned. That is what this measure appears to be because more government backbenchers will have their pay increased by $4,000. I suppose one of these days, when and if this legislation goes through—if it is not thrown out because of this type of provision—we will have another dozen Parliamentary Secretaries named. This salary increase is guaranteed to embellish the bill as far as government backbenchers are concerned. I say it is ridiculous to have 26 or 28 parliamentary secretaries because there is not the need.

An hon. Member: It would be cheaper to send them to the Senate.

Mr. Lambert (Edmonton West): With all due respect, this provision is for the relief of some impoverished government backbenchers.

I come now to my last point. Why should a former deputy head be allowed to contribute to the public service superannuation fund beyond his service? This proposition raises questions in my mind. First of all, would such contributions be matched by the crown and, if so, under what formula? There is no provision in this bill that the contributions shall not.

Mr. Knowles (Winnipeg North Centre): The provision is already in the act. Everything is matched.

[Mr. Lambert (Edmonton West).]

Mr. Lambert (Edmonton West): Well, this is a question we want answered. It seems to me that every penny contributed to the public service superannuation fund by a public servant is matched by the crown. A reading of this provision leaves me in no doubt that there should be a matching contribution made by the crown. I am sure there are many deputy heads who now wonder what on earth they have been given. A fair reading of this provision would cause anyone to say that there had to be a matching contribution. In any event, I have raised the question and I should like to know what formula is to be used.

• (4:50 p.m.)

What is the minimum service to be required before a deputy head could avail himself of this provision? I understand that it is ten years pensionable service, so that apparently answers this question. I should like to know also why this is being done. As a result of the annual salary increases, have these deputy ministers grade one to grade four reached a salary range from $30,000 to over $40,000 per year? Is that not good enough? Do we have to give them this additional privilege? I have not heard this is going to be offered to ministers or Members of Parliament. After they cease their services or take a leave, perhaps with the inducement of their electors, are they to continue to contribute to their pension funds?

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but I do so only to advise him that, according to the rules, his time has now expired.

Mr. Drury: I think he is almost finished, Mr. Speaker.

Mr. Deputy Speaker: Is there unanimous consent to allow the hon. member to proceed?

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): Thank you, Mr. Speaker, and hon. members of the House. I have very little more to say, but I did want to put these questions on the record. Is this to be an inducement to squeeze out certain deputy ministers? Is the little "deputy head" to include a secretary to the ministry of state, because he is described as the chief executive officer under the terms of this bill?

Why is this privilege being extended to deputy heads and no one else? Does it extend to heads of agencies who are of the rank of deputy head as we now have in many instances? I had in mind the Commissioner of the Royal Canadian Mounted Police, the Chairman of the Broadcast Commission and the heads of a number of these government boards and agencies including the CRTC who hold the rank of a deputy head. Are they to be included under these provisions? We want to know that.

I spoke about the power struggle between Parliament and the Governor in Council, and I shall not go into that in detail now, but I say that any change in the efficiency or better organization of Parliament, whether it is by an amendment of the rules or done under the guise of a government organizational or reorganizational bill, is

equivalent to reducing by another notch the power and prestige of the House of Commons.

To go back to the theme I put forward at the beginning of my remarks, we see many so-called democratic assemblies around the world which frankly represent rubber stamp operations. They exist only to give the rubber stamp of approval to the action of an executive which may be a small cabinet of ministers under a dictator or under an absolutely powerful president. There is absolutely no question of the existence of a democracy at any time within those regimes. This is the sort of thing we are called upon to move toward sometimes under our rules. We are being asked to take one giant step toward that end through this bill, some parts of which are quite unacceptable. There are other parts dealing with the ministries of state and the appointment thereof, and some of the other things provided for which are totally repugnant to this House, and I would ask hon. members to reject the bill on that basis.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, with your permission, I am wondering if we could call it five o'clock?

[*English*]

Mr. Deputy Speaker: If there is unanimous consent, the hon. member may call it five o'clock.

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—Canadian National Railways—request for government committee respecting pensions to expedite House business; the hon. member for Notre Dame de Grace (Mr. Allmand)—Canadian National Railways—Discontinuance of dining car service, Ottawa-Montreal; and the hon. member for Surrey (Mr. Mather)—External Affairs—Proposed Amchitka underground nuclear tests.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, notices of motions and public bills.

PRIVATE MEMBERS' MOTIONS

OLD AGE SECURITY ACT

REQUEST FOR AMENDMENT TO INCREASE PENSION AND GRANT COST OF LIVING SUPPLEMENT WITHOUT MEANS TEST

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That, in the opinion of this House, the government should give immediate consideration to amending the Old Age Security Act to provide for the full amount of the income supplement provided thereunder to be incorporated into the basic pension, for the amount of the basic pension to be increased to $150 per month, and for the increase granted each year on account of an increase in the cost of living to reflect the full extent of that increase, so that all persons 65 years of age or over who meet the residence requirement will receive a full pension of $150 per month, plus the cost of living increase, without any means or income test, the full amount of the Old Age Security pension thus being recognized as a matter of right.

He said: Mr. Speaker, this Motion that Your Honour has just read from the Chair calls for the old age security pension to be raised to $150 a month and for us to get back to the basic principle of the Old Age Security Act. That principle is that pensions under that Act should be paid on a universal basis without any means or income test on any part of it. The motion also calls for the cost of living escalation which has been in the legislation for a number of years to be made applicable to all pensions paid under the Old Age Security Act, and likewise, for the present 2 per cent ceiling on the amount of escalation that can take place in any year to be removed so that the full amount of the cost of living increase might be reflected in the amount of the pension itself.

As I shall no doubt be told during the course of this debate, this is not the first time I have presented a motion of this kind. It is not even the first time I have presented this very motion. I suggest, however, that the urgency of this motion is increasing and that it is time for the government and Parliament to give it serious consideration.

• (5:00 p.m.)

My assertion that the urgency of this matter has been increased is based on two propositions. The first of these propositions is an obvious one, one which, no doubt, hon. members had in mind when I said there was urgency, namely, the increase in the cost of living and the difficulty that many of our senior citizens are having in living on the amount of income that they now receive. Despite the provisions that were made in a bill which has already been passed in this session, and which we must therefore not refer to in the course of this debate, the amounts that will be available in April still do not bring our senior citizens up to the poverty line. That is one of the points of urgency that I feel make it imperative that the government and Parliament reconsider the whole question of the provisions of the Old Age Security Act.

I said, however, that there were two bases for my using the word "urgency", and in my view the other one is even more serious, if not quite so precise as the dollars and cents angle I have just been speaking about. The other element of urgency arises from the fact that the government in its white paper on income security has come out clearly and definitely for a lessening of the application of universality and for greater use of selectivity in all of our pension, welfare and security programs. I know that the government does its best to marshall arguments. I know that it quotes figures, that it tries to tell us that universality is out of date. But I suggest that this declaration by the government that it is going to move in the direction of selectivity rather than

universality is a case of going the wrong way and that it will yet destroy our whole social security setup.

I know that there is a great deal of talk about what we are going to do for the poor, whether they are senior citizens or the working poor or any group in our society. But I do hope that some day we will get to the realization that it is not good enough just to do things for the poor and keep them that way. When we do things for the poor because they are poor, they are poor at the end of the road. This is not good enough for a society that is capable of producing the amount of wealth that we can now produce in this country. If we are going to do something for people and not hurt their pride and dignity, not do damage to their souls in the process, we should do it for them because they are people and have rights as people. In my view, the day will come when even our attitude toward jobs and toward being employed will change. Now, you are not a first class citizen unless you can get a job, and if the job is non-existent, you have to fall back on some form of unemployment insurance. When it is gone, you have to fall back on social assistance, relief, welfare, or what have you.

I firmly believe the day will come when all people in a democratic and decent society will be guaranteed the income to enable them to live as a matter of right, whether or not they get attached to an existing or a non-existing job. I want us to move in that direction, and back in the early 1950s I was glad when we started to move in that direction by putting our old age pensions on a universal basis. Like other members in this House, I have had enough experience with older people to know that that legislation did a great deal for the sense of pride of our older people.

Now that we are going in the other direction, we are losing much of the gain that we made by that course of action. Therefore, I suppose this is a case of starting all over again. It took us many years to get the means test removed and to put the old age pension on a universal basis. It stayed that way for a decade and a half. Now, because the government has announced it is going the other way, some of us have to start all over again. If that is the case, I suppose that is what I am doing today. By this motion, I am saying we are starting all over again to try to win the battle for old age pensions to be paid to all our people as a matter of right. Let us not talk about any war on poverty, about being concerned about the poor, or about the dignity of our people if we are going to require these means and incomes tests. If we really mean what we say about dignity and the rights of our people, let us determine that our legislation will provide a proper standard of living, first of all for our older people, then for our families, and for our citizens generally, not because they are hard up but because they are people.

I need not make the point that I do not stand alone in my contention that universality is a much better principle to work on than selectivity, but I would like to read a few sentences on this subject which I thought put the point very well. They were contained in a brief that was drawn up by the Canadian Council on Social Development in December, 1970. These are comments on the position set out in the white paper so far as the government's old age pension position is concerned. At the point in this document from which I shall read, reference is made to certain dangers and then the following statement is made:

> A major example of this inherent danger is the unfortunate polarization of the argument about "universality versus selectivity" in the white paper on income security.

I have said that I am a universalist, but I am happy to subscribe to what I now read in this paragraph. It goes on to say:

> The two are not necessarily incompatible, granted effective use of the income tax system. Progressive income tax is the fairest way we know of raising money for social purposes. If it is wisely employed in relation to income security measures, the desirable features of selectivity can be achieved while maintaining the most important advantages of universality. Indeed, it is noteworthy that the white paper on unemployment insurance argues strongly for the principle of universality (which the white paper on income security appears to denigrate) in support of its proposal to include all members of the labour force in the program, whether or not they are likely to benefit by it.

• (5:10 p.m.)

I might say that in this same document the Canadian Council on Social Development—which we knew for so many years as the Canadian Welfare Council—complains about the level of benefits under the Old Age Security Act not being high enough and also about the fact that those on the basic pension will not get the cost of living escalation. But I come back to the portion of a sentence in this paragraph which I have just read which it seems to me is very significant, "If it is wisely employed"—that is, the income tax principle—"in relation to income security measures, the desirable features of selectivity can be achieved while maintaining the most important advantages of universality." If I understand that right, and I think I do, it says very simply that it is far better to make a universal grant, whether it is the old age pension or what have you, and tax those who, because of that grant, get into higher income brackets, than it is to test people's income before you give them something that should be their's as a matter of right.

I say again, Mr. Speaker, that I think the Liberals of the early 1950's, and they were in power most of that decade, were right when they agreed to our demand to take the means test off the old age pension. I think that the Old Age Security Act which was passed in 1951, and came into effect on January 1, 1952, was the best and most progressive piece of social legislation ever passed in this House of Commons, and I am proud to have had a part in seeing that this was done.

Far from accepting the statement that some of us are old fogies because we want to stay with that principle that was brought into effect in January, 1952, I suggest that that is the way to achieve a just and decent society, not to call upon people to disclose their means before they get something that is handed to them because they are poor, but to grant pensions, allowances, and soon, I hope, a guaranteed annual income to all our people as a matter of right.

This is private members' hour, Mr. Speaker. I have now taken up 13 or 14 minutes of it. I know what will

happen to this motion. Debate will still be taking place until you, at six o'clock, tell us you are leaving the Chair until eight o'clock. So, I do not expect it to come to a vote this afternoon. I do not expect to win this battle this month, perhaps in the next little while, but I do ask hon. members of the House to give serious consideration to this whole question. I will listen to argument. Others have their right to present their points, as I have mine, but I submit we are going in the wrong direction by taking away universality from the old age security pension. I urge that we get back to that principle as soon as we can and, when we do it, that we establish the pension at more realistic levels, such as $150 a month with the right of everyone who is on the pension to the cost of living escalation.

I will not take time to answer the arguments that I know will be made about the cost and all the rest of it. We have been over that ground many times. We can afford in this country what we want to do. If we want a decent, just society, if we want people to have their share of the affluence we are able to produce, we can order our affairs accordingly. This motion asks that we take this one important step in that direction, and I hope hon. members will give it favourable consideration both in this hour and in the thinking about old age pensions that they will do, as they must, in the months that lie ahead.

[*Translation*]

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, may I repeat that it is always an honour for me to have an opportunity to deliver a speech during the private members' hour, particularly on as significant a subject as that dealt with in the motion put forward by the hon. member for Winnipeg North Centre (Mr. Knowles).

I am satisfied that he has long been concerned with the welfare of elderly Canadians. I hope he will pursue this laudable objective, especially with regard to subjects involving persons of a certain age who served well the Canadian community.

The hon. member must also be commended for stating that the Liberals of the early '50s were progressive and enlightened men because they passed legislation on this most important question of old age security pension.

I must say that even though they were right in 1950, they did not think perhaps that one day they would have to take new measures and adjust to other circumstances. Many changes have occurred since 1950 and many more will occur in the future. In 1950 these people were wrong about income security especially with respect to people who retired at 70.

I should say also that at that time oil heating was far less popular than it is today. In fact, many people still burned coal for heat. If we had not evolved and since today coal is increasingly rare, I wonder where we would be.

In fact, changes are happening so fast that one must keep up with the times. The present government, like those that preceded it, has to go through some sort of readjustment made necessary by present circumstances.

I also know that the hon. member is in favour of a universal plan as opposed to a selective one. This is all very natural since his party is essentially socialist. In fact, the New Democrats shun like the plague anything that is selective by nature. They insist on giving a little to everybody and, the end result is that nobody gets anything.

In any case, this philosophy is far remote from that of the present government and I take this opportunity of expressing my appreciation for it because given our present circumstances and more specifically the amount of public funds at the government's disposal, it is unthinkable that with the financial resources available we should give out more money in all directions as we would like to do.

Unfortunately, with the responsibility to govern comes also the responsibility to redistribute the money at our disposal.

As far as the arguments of the hon. member for Winnipeg North Centre are concerned I recognize in part their value. He and his colleagues are trying to get into power. I do not say that they are using the right means to do it but it seems to me that they used one of those means. Indeed people who are not in power say a lot of things which generally may sound pretty good to the press and to the public. But when one takes a serious look at the issue one realizes quickly that it is inconceivable to satisfy everybody by passing uniform acts in order to make every body happy.

When you have lived for a while you know that it is impossible to please everybody. It is inconceivable that everyone should be happy in this valley of tears of ours. Even tremendous amounts of money cannot satisfy the rapacity, if I may call it so, of human nature.

Those who have something want a bit more, and those who have more want even more than they have, and so on, until death.

But I should also like to mention that the federal government—

Some hon. Members: Oh, oh.

Mr. Isabelle: I was alluding to the liberals, Mr. Speaker... I should also like to mention that the liberal government—how strange that the word should always find its way to our lips, that even our adversaries should be forced to use it—belongs to the elite of Canadian society.

• (5:20 p.m.)

The federal government has been legislating in the field of social security since 1927. It started by granting a modest pension of $20 per month to which the provinces contributed. In 1931, the federal government decided to contribute 75 per cent and in 1949, the amount of the pension was raised to $40.

But on Friday, I heard one hon. member say he was surprised at the speeches full of substance that had been prepared in dusty offices of some officials. I think that to make sensible and rational speeches, one must be rather well informed and from what we hear in this

House, it is not easy. I do not know whether this is due to excessive smoking, but it seems that there are hazy periods in some poor brains, at least judging from what they say.

In spite of the hon. member's comments, I would like as much as possible to stick to the text which I had the pleasure to draw up with some officials, because as I said a while ago it is difficult to memorize all relevant statistical data. Moreover, it is the custom in the House when a question is put to government members to consider statistics to be out of order. This is normal.

Indeed, the public life of Our Lord lasted three years. I do not know whether he studied from early childhood until age 30, but at 33 years of age, he died under the tragic circumstances with which we are well acquainted. This is why it is unthinkable that I could give you specific information gathered for quite a long time. Indeed, somewhat like Our Lord, I came into political life a little late and I did not have the astuteness of some members who have spent almost all their life behind those oak walls where stiffness and coldness usually prevail.

I would like to keep to a text, as much as possible, because it contains some extremely interesting figures.

[*English*]

Since its introduction, the Old Age Security Act has been amended on a number of occasions. The rate of benefit was increased twice in 1957, first to $46 monthly and then to $55. In 1962, it became $65, and in 1963 the monthly pension again was raised, when it reached $75 a month. It remained at $75 until 1968 when, because of an amendment enacted in 1965, the pension could be escalated each year depending on, and in accordance with, changes in the pension index used for the Canada Pension Plan. Provision was also made in 1965 to reduce the pensionable age under the old age security pension program one year each year so that the OAS pension would be payable in 1970 to all persons aged 65 and over. As a result, the percentage of elderly persons aged 65 and over covered by the OAS program increased from 66 per cent in 1965 to 91.8 per cent in 1969 and very close to 100 per cent in 1970.

[*Translation*]

I must say that this is an extremely important thing, since it deals largely with the problem of money expended for this program.

I would like to say also that—

[*English*]

By 1970, the Old Age Security pension was $79.58 monthly and the maximum guaranteed income supplement amounted to $31.83, for a combined total of $111.41 a month, but by the end of that year the OAS pension scheme had been amended again following the proposals set out in the White Paper on Income Security.

Under these new changes to the Old Age Security Act, which received Royal Assent on December 18 as we know, substantial improvements have been made to benefits payable under this income support program for our senior citizens and improvements have been made with respect to its other features. The basic old age security pension has been set at $80 a month while the maximum supplement, payable to elderly persons with little income other than the old age security pension, has been raised to $55 monthly for a single pensioner and to $95 a month for a married pensioner couple. The 1971 maximum supplement will increase by 72 per cent for single pensioners and by about 50 per cent for pensioner couples over what it was in 1970.

In 1960-61, and this is very interesting, Mr. Speaker, the expenditures under the Old Age Security Act were $592.4 million and represented 1.55 per cent of the Gross National Product. Between that year and 1969-70, the value of the Gross National Product more than doubled, but costs in the same period under the OAS pension legislation, which by then included the guaranteed income supplement program, nearly trebled to $1,730 million, so that in 1969-70 OAS/GIS benefits to aged people represented 2.16 per cent of a much larger GNP. These costs are therefore growing at a faster rate than Gross National Product, which means that a greater proportion of the nation's resources are being channelled into this program for the aged. These amounts exclude any payments or assistance received by elderly persons under any other programs, whether government or privately administered, which, if included, would increase the proportion of GNP just mentioned.

The hon. member has recommended that each elderly person now eligible for the old age security pension should be paid a basic $150 a month, escalated each year by the full increase in the cost of living. Let us consider the financial implications of his proposal. Taking the fiscal year 1969-70 as an example, old age security pensions and guaranteed income supplements payable in this year totalled $1,730 million. If instead all OAS pensioners received $150 a month, total expenditures in that year would have been $2,809 million. His proposal would involve an additional $1.1 billion. Based on estimates for fiscal year 1971-72, annual expenditures under the new OAS/GIS amendments legislated for in 1970 and which will come into effect on April 1971 will total $2,183 million, whereas under the scheme proposed in this motion expenditures would amount to $3,108 million. From these data, it can be quickly calculated that paying all pensioners $150 a month would cost the country nearly $900 million more than the recently amended Old Age Security Act.

• (5:30 p.m.)

Further, if these dates are projected and if the base-year benefits are escalated at 2 per cent a year, costs in the fiscal year 1975-76 under the amended Old Age Security Act are estimated to be $2,450 million, while those under the proposal suggested in this motion would amount to $3,680 million, more than $1.2 billion in extra expenditures. This means that in four years the additional cost of the proposed scheme under motion 13 will increase from $900 million to $1.2 billion over the new OAS/GIS program. Not only are these additional costs

large, but they are becoming larger and larger as time goes on. Surely the hon. member is not suggesting that the taxpayers of this country can afford this additional load in one particular sector of the income security system. As it is, the latest amendments to the act will place an additional $200 million into the hands of the most needy elderly persons in the current year. Hon. members will agree that is a substantial sum of money.

[*Translation*]

Any good government will try of course to provide as much social security to the taxpayers as possible but as I said at the beginning the financial means at the disposal of the government are limited. However through his white paper the Minister of National Health and Welfare (Mr. Munro) is trying to ensure better distribution of the funds at his disposal.

To me, the principle of redistribution is the most important today, much more so than in 1950.

The same thing probably applies to family allowances. It is obvious that if our resources are distributed exclusively to one population group, as proposed in the motion, we will necessary have to neglect the other Canadians. Even those who are unemployed will be deprived of certain financial resources if we put all our eggs in one basket.

[*English*]

Another factor is that the hon. member is suggesting a return to the type of program based on an approach of universality, while the philosophy of the white paper on income security suggests selectivity in income security. Universality was important at one stage of the development, but social and economic change indicates that a selective approach is a much better technique. This change is explained in the recently issued white paper on income security, part of which I quote as follows:

> The challenge, then, is to arrive at a renewed affirmation of income security policy which will have the effect of assisting the people in the greatest need without detracting from programs designed to stimulate the economic development which is the basis of national well-being.

The Acting Speaker (Mr. Richard): Order. I regret to interrupt the Parliamentary Secretary, but his time has expired.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I will speak for only a few moments. I support the motion of the hon. member for Winnipeg North Centre (Mr. Knowles), with one reservation. My main concern is for the aged in this country who are suffering from exceptional incapacity. The white paper on income security states that after April 1 old age pensioners will receive $135 a month. This is certainly below the poverty line. Hon. members forget that there are old people who cannot look after themselves. There are people in my province who are crippled because they worked for many years trying to make a meagre living. They live alone in hovels. They need a tenants' allowance in order to acquire proper accommodation. When they ask for increased benefits, we cannot supply them.

The previous speaker referred to the great cost in providing additional benefits. The state owes the aged of this country a decent living, a living at least above the poverty line. The motion of the hon. member for Winnipeg North Centre does not ask for too much; it asks for $150 a month. As I stated, I have one reservation. I do not agree that a man of 65 years of age earning $25,000, $30,000 or $35,000 a year requires such a pension. I do not agree with a universal, across the board pension of $150 a month. I say, with respect to the hon. member for Winnipeg North Centre, that if he inserted an amendment which would require a means test I would support the motion to increase the old age security to $150 a month. That would be little enough, Mr. Speaker. The government should forget about bandying around figures and talking about the millions of dollars it would cost. There should be no end to this bucket. I say that old people who are exceptionally incapacitated should receive more.

Mr. Maurice Foster (Algoma): Mr. Speaker, the hon. member for Winnipeg North Centre (Mr. Knowles) is to be congratulated on bringing this motion before the House. As everyone knows, he is an outspoken advocate on the problem of old age pensions. We are happy to have an opportunity to debate this motion this afternoon. The hon. member spoke on television last evening in a similar way. He will be pleased to know that at least one of the members on the government side took time to listen to his dissertation. The hon. member proposes that old age security benefits be increased to $150 per month for everyone 65 years of age and over. If this were done, we would be able to do away with the guaranteed income supplement which we passed only a few weeks ago.

The hon. member for Winnipeg North Centre has suggested that the urgency for bringing forward this motion is the increase in the cost of living. He has also argued the question of universality versus selectivity. I suppose that is the real argument. To be against this motion would be to be against motherhood. We are really debating whether $150 per month should be available across the board regardless of the income of the person receiving it or whether it should be available on the basis of a means test.

I was interested in the remarks of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall). He is a very capable member of the Standing Committee on Veterans Affairs. He handles himself well in that committee. He opts for the selectivity approach rather than universality. I have forgotten all the figures mentioned by the Parliamentary Secretary as to the increased cost of a universal as opposed to a selective program. However, one figure that sticks in my mind is that there would be an increased cost of $900 million over the present program. As the number of our senior citizens increases, this amount will increase.

• (5:40 p.m.)

One aspect which has been brought to my attention by people concerned with welfare in my constituency is that people receiving old age security benefits and the guaran-

teed income supplement are not eligible for general welfare assistance, except perhaps for drugs. It seems to me that when the federal government is negotiating the terms of the Canada assistance program with the provinces, some provision should be made to meet the needs of people in exceptional circumstances, people receiving old age pensions, to qualify them for special assistance should the cost of housing, for instance, be unduly high or should some other special need arise.

Income maintenance for this group of the Canadian population has been the subject of numerous revisions and adjustments from time to time. Income maintenance payments for aged persons made under federal programs amounted to $773 million in 1962-63. The figure had risen to about $1,950 million in 1970-71, just short of a threefold increase. Older Canadians now receive income protection through a number of measures both public and private. Under public programs income support is available under the Old Age Security Act, the guaranteed income supplement, retirement and aged survivors pensions under the Canada and Quebec pension plans, and supplementary social assistance under provincial welfare programs, the costs of which are shared by the federal government under the Canada assistance plan. In the private sector, income protection is provided through private pension plans or various self-help measures such as annuities and other privately-arranged retirement schemes. Public and private programs which provide income support are important to elderly people. It is also important to ensure that a wide range of health, welfare, recreation and other services are provided to meet the needs of this group.

I should like to review the needs of elderly persons for benefits in kind or services. Canada's first century of progress was characterized by the pioneering of young people. Only in comparatively recent years have we become fully aware of the special circumstances of the aged in our population. Changes in this aspect of our development have come upon us faster than we have been able to prepare for them. There are greater numbers of older people than ever before, and the number continues to rise. The urbanization of our society, employment practices, inflation and rising costs of living have all contributed to the changed conditions for older persons. Since families live in smaller homes and in apartments, there is less room to accommodate aged members of families. There are fewer tasks for old people to do in the home, and too often they are left out.

I turn, now, to population and life expectancy in Canada. The 1.6 million persons aged 65 and over in Canada represent slightly less than 8 per cent of the total population. Thus, while Canada may be regarded as having a low percentage of older people when compared with some other countries, we are experiencing serious and increasingly complex problems for which there are no simple solutions. Life expectancy at birth for both males and females has risen substantially over the years. On the other hand, although the number of aged persons has increased, only small gains in life expectancy can be reported for those who reach age 65. But while improvements in life expectancy are important, of equal or perhaps greater importance is that the quality of life be improved. The problems of the young have become of such concern that they have to a major extent absorbed the creative energies as well as the economic resources of communities. All too often, therefore, there is little left to invest in improving the quality of life of the older sector of the population.

Hospital care is available to all residents through provincial hospital plans by means of a cost-sharing arrangement with the federal government. The majority of the provinces are participating in medical care plans in which the federal government shares in the costs. For the indigent, payments for health care are assured by the provincial governments, with costs shared by the government of Canada under the Canada Assistance Plan. This plan is designed to provide increased federal aid, thereby enabling the provinces to integrate, expand and improve their welfare assistance and service programs.

Aside from health care there are some services specified in the legislation which can be of special assistance to the aged. I refer to case work, counselling, assessment, information and referral, home-maker or home-help and day care. In some places hot meals are delivered to older persons at midday in their own homes. Arrangements to live with private families, the so-called foster care programs, are being developed in some areas. Nursing care for the aged in their own homes is also provided in many communities. Senior citizens centres have been provided in some places, where the aged can go for recreation and in many cases receive a range of other services. Hundreds of clubs have been organized, some of them by older persons themselves and others by churches or other agencies. A national organization of older adults has been established with branches in most of the provinces. It is interesting to note that nearly all these groups presented briefs and wrote to many Members of Parliament during the past year and a half while we were reviewing the old age security program and the guaranteed income supplement.

The Canadian Council of Social Development, which was formerly called the Canadian Welfare Council, has concerned itself over the years with matters pertaining to the aged and aging. Some provincial and local welfare councils have established sections on the aged. Service clubs have been actively engaged in organizing and helping older persons in many localities; for example, they have developed senior citizen centres in housing projects. These service clubs as well as churches, fraternal organizations and other voluntary agencies frequently engage in providing recreational programs for the aged. Grant programs organized by the Department of National Health and Welfare, as well as grants from federal funds allocated to fitness and amateur sport, have provided funds for research and demonstration programs which directly or indirectly will improve the care of elderly persons.

I should now like to refer to the provision for living accommodation for aged persons. In all provinces, homes for the aged and infirm, including nursing homes, are provided under provincial, municipal or voluntary aus-

pices. The provinces contribute to the maintenance of needy persons in these institutions, 50 per cent of the payments in respect of assistance cases being met by the federal government. All provinces, in varying degrees, make capital grants toward the construction of homes for the aged and infirm and in some provinces capital grants are also available to municipalities, charitable organizations and non-profit corporations for the construction of low-rental housing. According ot the 1961 census, of the 747,000 heads of households aged 65 and over, almost one-quarter lived alone. It is within this group of older adults—those who live independently in their own homes, whether owned or rented, and whether separate dwellings, flats or apartments, as well as an additional 198,000 elderly persons who live with relatives—that the need for community services exists.

An attempt has been made to describe in a very general way the programs available to serve older persons in Canada. But the gaps are many, and too often even existing services fall short of being able to meet the needs. It is generally agreed that older persons should remain in their own homes in the community for as long as possible. To achieve this goal, a range of community services designed to provide the necessary care of the appropriate type and of the quality and quantity required is essential. Moreover, these services have to be readily available to persons in both urban and rural settings.

• (5:50 p.m.)

In Canada the emphasis has been upon institutional care. This is due to many reasons, including distances to be travelled, difficulty of staffing programs in more isolated areas, limited professional resources and inappropriate living arrangements for aged persons. Thus, when communities have turned their attention to the needs of the aged they have tended to plan first and, all too often, for the construction of institutional care facilities only.

An added complication arises when an old person is in hospital and is ready for discharge to a lesser level of care. Frequently there is not a bed available to provide the care he needs in a home for the aged or a nursing home. Even if there is, he may resist transfer because payment is made on his behalf under the provincial hospital plan for as long as he is in a general, chronic or convalescent hospital, whereas for institutional care, or care in his own home, with few exceptions he must pay for services himself in so far as his financial resources permit. In order to encourage older persons to remain out of institutional care, it may be that we shall have to consider paying for community services so that institutional care offers no financial advantage. For any special services which may be needed by only a limited number of persons, payment may have to be based upon ability to pay.

It is roughly estimated that from 5 to 10 per cent of aged persons require some form of institutional care. Some 20 to 30 per cent are in need of intensive supportive services within the community at large. The remaining 60 per cent are well, ambulant individuals functioning independently in the community. We see them every day going about their affairs; we do not think of them as aged. Indeed, if we are suddenly asked to focus our attention upon the needs of the aged, those living in institutions first come to mind. We think of the bedridden, the frail and the sick.

More emphasis should be placed on keeping those aged persons who are well and actively carrying on their affairs in that happy state. Preventive health measures, such as disease detection screening programs and early treatment of conditions found through such programs, should be intensified. Since it has long been recognized that chronological age is a very unsatisfactory determinant in deciding the ability of a person to continue in employment, there should be greater flexibility in respect to the age of retirement. It is, however, a proven fact that fewer persons at age 65 wish to continue in employment than was the case 25 or 30 years ago. Technological advances are beginning about even lower ages for retirement in some industries. Further, by actual choice, increasing numbers of persons are voluntarily choosing to retire earlier than age 65.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. Foster: As soon as I finish my remarks, Mr. Speaker, I shall be glad to give the hon. member an opportunity to pose a question. Without becoming involved in the pros and cons of arbitrary versus more flexible retirement arrangements, there is no doubt that society still equates productivity with monetary reward; that is, life earning a living. There is a consequent loss of status for the majority of persons at retirement. But some older persons have perceived "productivity" in terms of service to their community, in service to contemporaries and in creative achievements. The aged represent a vast resource of human abilities and skills which society has been overlooking.

Some older adults are asking: What can we do to help ourselves, each other and the community? Many are simply continuing to serve within the community as they have all their lives, but others are offering themselves for the first time, sometimes for service on a voluntary basis, sometimes for pay. Older adults are very strongly motivated to engage in various programs through a desire to help others. Even those who are not in the best of health report that having something to do for others keeps them active.

In summing up, may I say that aging, a lifelong process of growth, development and change, begins before birth and progresses at different rates and in different ways in every individual, depending upon genetics and environment. Just as each phase of a person's life cycle is determined by those which have gone before—adulthood, adolescence and childhood—so also is the preparation for a successful and satisfying life in later years a lifelong preparation. A first requirement is good health care, including the application of all known aspects of preventive and restorative health practices, so that we do in fact attain complete physical and social well-being to the greatest degree possible. Further, every individual needs

to develop interests, retain and sharpen his curiosity about the world around him and participate in lifelong education whether formal or informal.

There is no single problem of the aged. Rather, there is a whole complex of problems—health, housing, jobs, family and community relationships, attitudes and so on. Planning in terms of older persons requires a realistic approach to the problems on a wide variety of fronts. We need to apply new knowledge, new concepts and new techniques as these emerge. We must learn to live with change and to direct it. We must continually remind ourselves that effective solutions are intimately related to the conditions under which we live, and when some of the conditions change we must adjust other aspects of our lives to these changes. We need to be experimental, creative and imaginative in developing programs to meet the challenge of the later years and in accord with the society in which we live.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, before the hon. member concludes his interesting dissertation, would he mind saying whether he is for or against the motion?

Mr. Foster: I have already said, Mr. Speaker, that being against the motion would be like being against motherhood.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. The fifteenth hour appointed for the consideration of private members' business having expired, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration of the motion of Mr. Drury (for the Prime Minister) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to the committee of the whole.

Mr. Roland Godin (Portneuf): Mr. Speaker, we have been discussing these past few days Bill C-207, entitled an Act respecting the organization of the Government of Canada and matters related or incidental thereto.

This bill provides for the reorganization of several departments and the establishment of the Department of the Environment. The minister in charge of this department will assume all the responsibilities of the Department of Fisheries and Forestry while receiving new powers in order to control the pollution of the environment.

As regards this scheme, I remain rather sceptical. It appears that this is an improvement over present efforts to solve the problem of water pollution and it is obvious that immediate steps must be taken in that respect. But I am wondering if those that are proposed in the bill will be adequate and effective. As a matter of fact it is not because there is a Department of Agriculture that all farm problems have been solved. Neither did the Department of Industry, Trade and Commerce put an end to all bankruptcies across the country.

I hope the public will not be under the impression that the proposed department is the answer to all problems relating to pollution, because in any event it is a very serious one.

Let us refer to an article in *La Presse* of Wednesday, June 11, 1969, under the by-line of J.-Claude Paquet, entitled: Water pollution is beyond control, and I quote:

"Water pollution is overtaking us at a frightful speed. One may even affirm without a doubt that it is beyond control." This statement was made yesterday by Dr. Richard Nelson of Hull, a member of the water development committee of the Quebec Wildlife Federation.

Assembled at Manoir Richelieu for their annual convention, the engineers and technicians of the water development association expressed their concern—

Speaking in a somewhat reproachful tone, Dr. Nelson told members: "You fully realize that you have retreated too long behind the imperviousness of your discipline, only allowing scraps of information to leak through, uninclined to launch a sustained campaign against water pollution.

Deficiencies responsible for the present situation are to be found at all levels of our community.

A large measure of the blame should be placed on the silence of the experts on water in the face of what is happening.

According to the lecturer, organizations dealing with Quebec's water problems have given the impression, up to now, that all is for the best in the best of possible worlds and that the higher authorities have the situation well in hand.

• (8:10 p.m.)

Mr. Speaker, we can imagine to a certain point all the publicity which will accompany the setting up of a department of the environment. We know that new regulations will be issued if they are required. Actually, some very logical ones have already been in existence but they were practically never implemented. I would like to quote a report which was published in the newspaper *Action* on September 22, 1969:

Our natural environment has a tendency to depreciate slowly! "The fast depreciating and often non-reversing condition of the natural environments needed for recreation is a by-product of our industrial society". This serious accusation against our modern way of living was brought by Professor Robert Lagueux, during a lecture that he delivered at the conference on water problems during the weekend in Quebec.

According to him, this degradation has been taking place at such a pace, especially for the last ten years or so, that one can truly speak of a clogging of the natural cycles of recuperation and self-purification of the environment.

This problem is so serious that it endangers the survival of man, Mr. Lagueux told us. In his opinion these ever increasing dangers result from the arrival on the market of these multiple-use chemical products with unknown side effects.

According to the lecturer, we are embarked in a vicious circle.

We waited until the situation became urgent before taking steps and securing the services of television, newspapers and radio to do some advertising.

I remember quite vividly the recommendations made by the federal government a few years ago with regard to farmers. I recall among other things that they had been instructed never to dump insecticide containers into rivers or lakes.

During the same period, with the federal government's blessing, the Canadian Corporation for the World Exhibition dumped thousands of gallons of DDT around the Expo grounds. Since these were islands in the river, the St. Lawrence was completely polluted, so much so that today we wonder just how much longer the fish will survive.

Nowadays, publicity is made at the housewife's expense. She is told what detergents to choose while she only uses a few gallons of water a week to do her washing.

I would therefore appreciate it if the sponsor of this bill could tell us whether the government has asked the pulp and paper companies, which pour their residues 24 hours a day into the river, to change acids.

Pollution of the soil, pollution of the sea, pollution of the air, pollution of the water: there is pollution everywhere. Let us wage war against pollution as we are doing against poverty.

The number of unemployed and of those who have tighten their belts in the face of affluence is a concrete proof that there is also, within the government, pollution of the mind, pollution of the intellect.

One thing is sure: that the government is about to increase taxes. On January 26, 1971 *La Presse* reported the following statement made by a bank manager. I quote:

NO TO AFFLUENCE IS THE PRICE OF POLLUTION CONTROL.

"Canadians must be willing to forgo affluence so as to palliate the cost of pollution, said last night the Chairman of the Bank of Montreal, Mr. G. Arnold Hart. However, the public must be cautioned—"

—about what is forthcoming.

"Because the problem is really there: any effort against pollution will result in economic restraints, added the banker who explained however that "it is much too easy to demand that the cost of pollution control be paid by those responsible for pollution".

"All of us create some pollution and we must all pay the cost, either by accepting an increase in prices or in taxes, or by forgoing certain goods which seem very desirable, or by putting up with the unemployment caused by the closing of industries incapable of complying with new standards."

This is a bank manager who says that: factories will close down, the number of unemployed will increase, taxes will be increased. So as to satisfy the voracious appetite of the banks, the people will have to tighten their belts. Privations and reductions, that is good enough for the people. Meanwhile, banks bring up their interest rates. It is possible that this expert, a bank manager, will go as far as getting his salary increased.

And who knows if the increase in the assets of the Bank of Montreal, which was 33 per cent for 1969-70, will not reach 50 per cent. Anything can happen since this bank is one of those which can tighten or loosen credit at will.

We remember quite well the years 1929 to 1939 when credit was under strict control. It had been enough that the word "war" be used for all the banks to grant more credit. We are still paying for this supposed favour. The people have lost from it and so have the provinces. We remember that under the pretense of temporary measures which were to last during war time only, the provinces had agreed to part with some of their taxing powers. To save Christianity and freedom the provinces had yielded. Unfortunately, more taxes are levied so that people enjoy less and less freedom and communism is spreading throughout the world.

Taxes were increased to establish the family allowance plan. These taxes have gone up but family allowances have remained unchanged. Other taxes were imposed to cover the increase in old age pension. Other collection methods have been created under the pretense of fighting poverty. The number of poor people is increasing but we still have the same methods.

The government, which has been fighting inflation by new taxes and restrictions, is now launching war against pollution because our major businessmen have finally agreed to co-operate.

We have known capital shortages but surely our businessmen will put an end to them to fight pollution.

In return, the citizens' work will still be taxed, and so will building materials, clothing and many other life related commodities.

In setting up this new department, I am convinced the government will find a way to tax the air we breathe.

Clause 5 of the bill reads as follows:

5. The duties, powers and functions of the Minister of the Environment extend to and include all matters over which the Parliament of Canada has jurisdiction, not by law assigned to any other department, branch or agency of the Government of Canada, relating to

(a) sea coast and inland fisheries;

(b) renewable resources, including

(i) the forest resources of Canada,

(ii) migratory birds, and

(iii) other non-domestic flora and fauna;

(c) water;

(e) the protection and enhancement of the quality of the natural environment, including water, air and soil quality;

With regard to the soil, Mr. Speaker, we must get acquainted as soon as possible with all available research in this field.

As to air, which changes in colour from one region to another, action should be taken as soon as possible.

In the case of water, studies involving the various aspects of water resources management have been carried out in the province of Quebec and elsewhere in Canada. These studies lead us to confirm that from a legal as well as practical standpoint water supply and treatment fall mainly under provincial jurisdiction.

However, in view of the inter-relationship of water related problems in the different areas of the country, we must recognize that the provincial framework is hardly

adequate if we want to approach their various aspects efficiently. Some of them are of Canada-wide concern.

We do not necessarily conclude that it is either mandatory or desirable for the federal government to assume full responsibility over the water question, but that it should rather take a keen interest in all aspects of the various Canadian problems.

The water question can be broken down into three parts. First, municipal and industrial water supplies.

In this regard, it is generally recognized that to date provincial jurisdictions have fulfilled their tasks adequately. Drinking water is available in adequate quantity and quality as well in Quebec as in the rest of the country.

• (8:20 p.m.)

Then there is the comparatively new problem of sewage treatment whose solution is to be found mainly in a collective desire to take the appropriate measures. Purification costs remain almost the same whether the undertaking is achieved under the federal, provincial or municipal government or with industrial participation. In this connection, the federal government can and must help financially to make up for inequalities and take the necessary measures.

Finally, as water is a basic element in our environment, the part it plays should conform to the ways of life followed by all Canadians. In this respect, the approaches may differ from one province to the other; however, a general notion of the minimum requirements is essential and the federal government can and must assume a constructive role in determining the goals.

Under every aspect of water management, each level of government should discharge its responsibilities within the framework of our Canadian political institutions and in a spirit of co-ordination and co-operation. Any federal government initiative or arrangement likely to impede the action of a provincial jurisdiction would act contrary to the results looked for.

On the one hand, the federal government's action must be very strong in the fields where it has exclusive powers, but on the other hand it should be complementary only in the fieds that traditionally come under provincial jurisdiction.

Nevertheless, in their own interest, the provinces should take advantage of any financial or technical aid available from the federal government. In our opinion, initiative and planning should remain in the hands of the provinces. Besides, the federal government can and must act as a catalyzer of public opinion, guiding the choice of national goals and choosing measures calculated to create a collective will aimed at correcting the situation.

To that end, we suggest that the complementary action of the federal government deal with the following aspects: research, technical information and popular education. There must be co-ordination in research and information. All Canadian citizens must be sensitized in a rational way to the problem of water and environment.

Minimum criteria should be established on the quality of water and waste in co-operation with the provinces. A step has already been made in proposing Canadian standards. There only remains to complete them.

The government should, in co-operation with the provinces, make an inventory of the water resources of Canada. Although each province is interested in that inventory, the general picture must also be considered.

It would be necessary to set up mechanisms of federal financial participation based on long term estimates of financial needs. In other words, we suggest that spending estimates be made for each province as well as for the whole of Canada. The allocation of expenses, for each level of governments and for all the users, must be made according to these estimates within the framework of an orderly financial program.

Every effort must be made to find more equitable and more rational financing methods. In the immediate future, municipalities and industries are confronted with a financing problem which impedes the implementation of the required programs. The federal government can give essential financial aid and must give it without delay.

In the issue of October 3, 1969 of *La Presse*, one could read a statement by the then Minister of Resources, who said:

> —that some Canadian firms will be forced to close their doors because of the government antipollution program.
>
> During an interview, the minister explained that pollution was at the present time everybody's problem, but that the pollution caused previously by certain firms was their direct responsibility.
>
> Some industries might not be able to pay for measures to fight pollution and will then have to shut down.

Mr. Speaker, if industries are forced to shut down, due to lack of funds, I think there is a serious problem and before spending millions here and there to start new industries we should find ways to save those that already exist.

The same thing goes as far as public undertakings are concerned. Public needs may be urgent, well detected, expressed and understood by public bodies, but if those bodies have no money or not enough, the implementation of plans is delayed.

What is missing, then? There is no lack of materials. We know that manpower is abundant. There are plenty of competent people. Finally, the only thing missing is money, financial credit.

In short, with or without this new department, the pollution problem in our country is becoming a financial problem. There is no going back. The co-operation of the public, the provinces and municipalities is necessary, but the essential steps cannot be delayed. However, we know that in the present system, most public bodies are deep in debt and can no longer consider any development, even in the case of pollution which is a matter of life or death.

It is obvious that it is only by incurring other debts at a 10 per cent interest, that we could reimburse our old ones and carry out the necessary pollution control programs.

As the government is the supreme authority in this country, I wish it would prove its capability by demand-

ing that the Bank of Canada grant to the provinces and municipalities which might request them interest-free loans similar to those granted foreign countries.

I agree that we must set up programs to control soil, air and water pollution, but if we really want to do it we should first wage war against financial pollution by reorganizing the Bank of Canada.

[*English*]

Mr. Don Mazankowski (Vegreville): Mr. Speaker, on rising to comment on Bill C-207 I wish to associate myself with those hon. members who have already expressed objection to it. I do not believe it is necessary to go into detail on the aspects of an omnibus type bill other than to state that all too often in this Parliament we have seen a few goodies thrown in with a bag of tricks in one piece of legislation, parts of which are unpalatable but which are presented to Parliament for approval.

This bill gives the government power to expand, to spend and to entrench without recourse to the representatives of the people. From now on a ministry may be established simply by proclamation, something which is completely contrary to the traditions and precedents of our parliamentary system. This bill reaffirms the trend of the present administration toward the establishment of a bureaucratic dictatorship. It also reaffirms the truth of the often used cliché that the Liberals are concerned with expectations of power-patronage in perpetuity.

When we look at the potential expansion of ministries combined with the expansionary provision for parliamentary secretaries, we can see that this bill, if passed, will give everybody on the Liberal side a chance to be somebody; and the suggestion is that they had better behave and support the government or they will find themselves among the minority group classified as nobodies. I suggest this would be extremely disastrous for them when they face the electorate in the next election, and that applies even to my hon. friend from St. Boniface, Manitoba.

With the exception of that portion of the bill which proposes the establishment of a department of the environment, of which I approve although I suggest it is a rather feeble and cursory attempt to strike at the "gut" issue of pollution, I see nothing in the bill which will give any measure of ease to the many Canadians suffering economic burdens and miseries. The creation of a department of the environment will be in fact a non-event. I submit that the bill should establish a comprehensive administrative structure to fight pollution. Instead, it proposes a piecemeal structure which will have incomplete power. I say this because the acts to be administered by the new department were drafted for other diverse purposes and will not provide the new minister with sufficient regulatory power to undertake a comprehensive campaign against pollution. Indeed, if the government is serious about a comprehensive and planned attack on pollution, it must introduce comprehensive regulatory powers directly intended for this department to enable it to carry out its ambitious responsibilities.

As I said before, Mr. Speaker, the bill offers nothing in the way of a measure of ease to alleviate the burdens, miseries and pressures which affect so many Canadians today. On the contrary, they will be asked to dig deeper into their pockets to finance the rewards to be handed out to Liberal members who have distinguished themselves as well-disciplined, well-behaved boys fully endorsing the policies and trends of their seniors. I am given to understand that already the impact of the bill has been felt in this regard. I am told that many Liberal members who wanted to speak on the bill have been asked to refrain from participating in the debate. This is the brand of participatory democracy in which the government believes, the kind in which Liberals cannot afford to disagree.

To the more than three-quarters of a million Canadians who are presently on unemployment insurance, to the many, many more living in poverty without access to public assistance, to the old age pension recipient, to the war veteran, to the many small businessmen who have been forced to close their enterprises and to the many, many more on the verge of closing because of the government's perpetrated economic crisis, to the many, many small farmers and to some not so small who have been attempting to eke out a living on 63 cents per bushel for barley and $1 per bushel for wheat, of which 50 per cent is retained in respect of previous advances, this bill offers no hope and is nothing more than a clouding of the issues.

• (8:30 p.m.)

This bill deserves nothing more than contempt, because the government simply does not care. It cares not about those who are unable to assert their rights and privileges because of lack of organization or political power. The people in these groups are suffering the gravest injustices in our society. This government with callous and cold-blooded disregard simply carries on building its empire and its bureaucracy. It is creating positions which will do nothing but increase frustrations and complicate the channels of redress for those attempting to obtain consideration for their plight.

The Prime Minister (Mr. Trudeau) said that until the war on inflation was won there was little hope of relief for those struggling at or below the poverty line. The Prime Minister now states that inflation is licked. I suggest, Mr. Speaker, that those were nothing more than empty words. I remind the Prime Minister that only because of lower food prices the cost of living index levelled off and reduced. Speaking as one who represents an agricultural area and many agricultural producers, I hope the Prime Minister does not expect producers and retailers to bear the brunt of the war on inflation. I hope he does not expect us to fight inflation single-handledly. I submit that if the major food chains declare a truce, we shall again experience a rise in the cost of living.

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member. No doubt he will recognize that it is necessary for the Chair to relate directly what the hon. member is saying to the bill before the House. I know

that this is an omnibus bill which covers quite a bit of terrain. Perhaps the hon. member would enlighten the Chair and indicate how his remarks relate to one of the many parts of the bill.

Mr. Mazankowski: Mr. Speaker, I was merely following the pattern established by previous speakers who, it seems to me, covered a wide range of topics. Turning to the subject of inflation again—

Mr. Speaker: Order, please. The hon. member knows that he cannot under the guise of discussing this bill discuss unemployment and the general financial and economic situation of the country. I recognize that the hon. member who had the floor before spoke of the Bank of Canada, and for a while I wondered how those remarks related to the bill before us. Just when I had determined to rise and bring this to the attention of the hon. member, he managed in some way to relate the Bank of Canada to some of the provisions of this bill.

Nevertheless, I very much doubt that hon. members should take advantage of this bill to promote a general debate on the economic situation of the country. I certainly do not think that this is in order. I invite the hon. member to return to consideration of one of the many aspects of the bill. Hon. members have complained that this is a very general bill which covers a large number of subjects. If that is so, it should not be difficult to make a 40-minute speech on some of its aspects.

Some hon. Members: Hear, hear!

Mr. Mazankowski: Mr. Speaker, I was merely trying to point out that this bill is inflationary in effect. I was hoping to make my point because so far as I am concerned inflation is very closely related to productivity. I would like to know what productivity factors will arise as a result of approval of this carte-blanche measure which will authorize the expenditure of millions of dollars to entrench more firmly the Liberal establishment. The only increase in productivity, I suggest, will be that involving an increase in propaganda emanating from Information Canada. Much of that production we can well do without.

Some hon. Members: Hear, hear!

Mr. Mazankowski: Also, closely associated with the fight against inflation—this is why I contend that the bill is inflationary—is the question of administrative efficiency. Certainly this applies to the government. We have the Prices and Incomes Commission pleading with the private sector to contain price increases. Similar requests have been made to unions and bargaining agents of employees. Nevertheless, the government has broken all such voluntary guidelines and has disregarded the fact that it, too, contributes in a major way toward inflation.

This is reflected in the supplementary estimates as well as in this bill, Mr. Speaker. It is also reflected in the fact that the cost of operation of the Prime Minister's office has for the first time in history exceeded $1 million. The Auditor General focused attention on this aspect of government efficiency and indicated that there was an increase in administrative costs of 76 per cent between 1963 and 1968. I need not remind you, Mr. Speaker, that the office of the Auditor General was not granted a corresponding increase, for very obvious reasons. Year after year he has drawn the attention of the House to the gross lack of efficiency and wasteful expenditures of the government. I cannot foresee anything but a continuation of this type of wasteful expenditure under the auspices of this bill. The federal government, instead of laying down guidelines for industry, labour and other levels of government has proposed one guideline for industry and labour and another for government. This will not work; there is bound to be conflict. It is the responsibility and study of government to provide leadership in such a campaign if it intends to contain rising costs, wages and expenditures. This bill reflects a directly opposite approach to the principles of efficiency, productivity and price stability.

One thing that bothers me somewhat is the distinction drawn between and rationalization of certain government priorities. It is most difficult for me to comprehend, for example, why in one case the government must spend as much as $300 million on a bilingual education program, which has turned out to be a unilingual program, in Quebec when at the same time a small farmer on 1½ quarter sections of land in Alberta, who cannot eke out a living because he cannot sell enough grain, is not eligible for public assistance because he possesses goods in excess of the established criterion. I find it hard to justify a program of this type to a small farmer. It is also difficult for one to justify expenditures of $7 million on Information Canada, when a mother of three, earning $244 per month, whose husband has been unemployed since last February—this case applies also to Alberta—is not considered eligible for assistance because the maximum allowable earning is $201 under the welfare program. These programs are all difficult for me to justify, especially in light of an omnibus bill of this nature which to my mind only spells more expenditure.

I am somewhat puzzled by simplistic clause 23 of the bill now under consideration, which authorizes the establishment of more ministries of state. I suggest that this is an open-ended provision. In theory, it will be possible for each minister, without the approval of Parliament, to appoint an associate minister. According to all indications, we shall have departments administered at three levels; there will be a junior minister, a senior minister and a superminister. I hope this clause will be adequately dealt with and clarified in committee of the whole.

My friends from the Atlantic provinces have expressed, quite rightly, very harsh criticism because of the disappearance, under this bill, of the Department of Fisheries. I share their concern. The hon. member for St. John's East (Mr. McGrath) clearly outlined the importance of this industry to Canada and particularly its importance to those engaged in it. Traditionally, the industries of agriculture and fisheries have provided the economic foundation of Canada. These industries continue to represent our potential as a great trading nation. I

submit that they should continue to hold their distinction and should not be downgraded in any way, shape or form. These two industries, because they are subject to many vagaries to which other industries are not, ought to be strengthened, not weakened, by government assistance and protection.

• (8:40 p.m.)

What do we see? We see the Department of Fisheries downgraded and buried in a new department, thus becoming a nonentity. The Department of Agriculture has been fragmented almost into non-existence by the shared responsibilities of the Minister of Manpower and Immigration (Mr. Lang), the Minister of Industry, Trade and Commerce (Mr. Pepin) and the Minister of Agriculture (Mr. Olson). Today the ministry of agriculture has become not much more than a title. With respect to agriculture, my colleagues from the Atlantic provinces wondered why the Department of Agriculture was not buried in the omnibus bill as well as the Department of Fisheries. Let me only remind them that when we look at the record of achievement for the year 1969 as outlined in "Canadian Farm Economics", it is shocking and disturbing to learn that in 1969 for the first time in our history Canada became a net importer of agricultural products. I would like to record the figures but I may be ruled out of order.

This is shocking, unbelievable and unwarranted in a country which has the agricultural base, technological know-how and ability to produce. It is certainly a harsh and chilling indictment of this government's mismanagement in the field of agriculture. This occurred within a year and a half of the present government assuming office. The hon. member for South Western Nova (Mr. Comeau) wondered why agriculture was not included in the new department of the environment. Even though we will still have the Department of Agriculture, it has been emasculated and downgraded to the point where it is no longer a prime department. Agriculture is not considered to be a priority item or a national asset. The government wants to see the last traces of agriculture reduced to so-called manageable proportions.

The hard fact of the situation—an area of public life usually skirted by the government—is that this reorganization bill evades grappling with our demanding and contemporary problems. It contributes to structures and privileges which already allow excessive evasion, indecisiveness and arbitrariness on the part of the executive. The issues of our urban and rural life styles—shelter, transportation, full employment and environmental control—if they are to be solved, require hard decisions. If they are to be solved democratically, the hard decisions must be made in public.

If this were an honest and comprehensive reorganization of the government, with different concepts of government in action than those which characterize this government, I could applaud the bill. However, it is not. This government has not in the past, and does not seem now, willing to introduce legislation outlining specific intentions regarding these problems. Indeed, we are asked to create structures without passing judgment on the philosophy and goals they are to pursue.

The preamble to a particular war, whether pollution or poverty, is to be made in public: however, the strategy and the tactics are to be made in private. I reject this. This is an aberration and distortion of democratic government. Parliament can delegate the administration of a goal, but it cannot delegate goal-setting and the essential choice of means. However, that is what this administration continually asks of Parliament: it asks us to share in the platitudes but leaves the choices to the government, choices to be rejected or accepted in secret. This measure is no adequate substitute for strong and democratic government. Strong and democratic government openly makes decisions. That it not what we are getting.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, some aspects of Bill C-207—are of vital interest to my constituents. I refer to the creation of a department of the environment. I believe this is an important step forward. If the department is given the means and the tools to do the job, it may play an important role in the meeting the environmental crisis.

I do not wish to detract the very reasonable criticisms of my colleagues about the hodge-podge of different subject matters brought under the cover of this bill. That is extremely unfortunate. However, I do not propose to deal with that aspect of the matter. I shall deal with the subject of pollution of the environment particularly as it affects areas such as the one I represent, the metropolitan area of Toronto. It is trite to say that we have reached the situation in which the unintended result of our practices has been to threaten animal and plant life and to destroy the environment on which the quality of human life depends. There has been no lack of warning. In the course of this debate, the hon. member for Kootenay West (Mr. Harding) drew attention to a declaration of the United Nations in 1968 which gave that warning very clearly and explicitly. I will not repeat what he said.

We should pay close attention to that warning. It refers to a crisis of worldwide proportions. It refers to the explosive growth of human population, poor integration of a powerful and efficient technology with environmental requirements, the deterioration of agricultural land, the uplanned extension of urban areas, the decrease of available space and the growing danger of extinction of many forms of animal and plant life.

The Secretary of State for External Affairs (Mr. Sharp), when he was Acting Prime Minister a short time ago filed a report on pollution of Lake Erie and Lake Ontario. It was an extensive and full report of the International Joint Commission. Lake Ontario and Lake Erie are two of the greatest freshwater lakes in the world. While the report refers to one part of the country, similar problems have arisen in nearly all the great waterways and freshwater lakes in Canada. I quote from the conclusions reached by that commission as follows:

> In response to the question, "Are the waters of Lake Erie, Lake Ontario, and the international section of the St. Lawrence River being polluted on either side of the boundary to an extent which is causing or is likely to cause injury to health or property on the other side of the boundary?"

The commission finds that the waters referred to in the question are being seriously polluted on both sides of the boundary to the detriment of both countries and to an extent which is causing injury to health and property on the other side of the boundary.

In response to the question, "If the foregoing question is answered in the affirmative, to what extent, by what causes, and in what localities is such pollution taking place?"

The commission finds the polluted waters are lakewide in extent; that the two principal causes are wastes discharged by municipalities and industries into the above waters and their tributaries; and that pollution is taking place in all jurisdictions whch share these boundary waters.

The report goes into greater detail in the full text. The third question was as follows:

• (8:50 p.m.)

If the commission should find that pollution of the character just referred to is taking place, what remedial measures would, in its judgment, be most practicable from the economic, sanitary and other points of view and what would be the probable cost thereof?

The response was the following:

The commission finds that the remedial measures include the adoption and adherence to this commission's general and specific objectives as a matter of urgency; immediate reduction of the phosphorous content in detergents; the prompt implementation of a vigorous programme to provide the necessary municipal and industrial waste treatment facilities and to reduce the phosphorous inputs into the above waters and their tributaries—

And so on. Later in the report is a series of detailed recommendations spelling out what ought to be done—the setting of water quality objectives for these boundary waters, as they are called, among other things. The tragic part of all this is that a report in almost exactly similar terms—and I have it here—was made by the International Joint Commission as long ago as 1952, I believe it was, and very little or nothing has been done about it. The International Joint Commission exists by virtue of a solemn treaty made in 1910 between the United States and Britain, representing Canada at that stage of history, in which both countries pledged themselves not to pollute the waters in the other country. Yet this pollution has been going on since 1910 and was reported on fully in 1952 without, as I say, anything being done about it.

This is why I am glad to see specific reference to the matter in the bill before us. Under clause 5(g) the proposed minister of the environment is to be given jurisdiction in connection with the enforcement of any rules or regulations made by the International Joint Commission in respect of boundary waters, as far as pollution control is concerned. This task alone is a tremendous one for the new department and I earnestly hope it will be carried out.

I wish to call attention to two points with regard to the whole question of pollution of the environment. First, on the question of enforcement: there have been many studies made and much research done in the pollution field, and there is need for more studies and more research; but all the studies and research in the world will not enable us to deal with this question adequately unless there is adequate enforcement. I hope the minister will succeed in getting an effective staff on the enforcement side. I hope he will get people who are not only trained in the law but who have the required energy, tact and determination to enforce the legislation in co-operation with other jurisdictions.

The other thing that is required is consultation with informed and interested local organizations. I am happy to see that many of these are springing up. In this connection, as well as in connection with the point I have just made about the necessity of adequate enforcement measures to ensure that the rules made are not disregarded, I refer the minister to a new body known as The Canadian Environmental Law Research Foundation. I do not know whether the minister is aware of this association. It is a group of mostly younger lawyers in Toronto; I am sure they will soon spread out on a national basis. I wish to read what they say about their purposes, because this is of great importance. They say the following:

In downtown Toronto people choke and wheeze. Elsewhere in Ontario fishermen and Indians lose their source of livelihood when the fish become contaminated with mercury. Vacationers turn away as mounds of green algae pile up on the beach. What can they do about it?

Growing numbers of Canadians are seriously concerned about the deterioration of their environments. Groups have sprung up across the country which, each in their own way, attempt to meet the pollution crisis head-on. Whatever they do to arouse the public, however, they are ultimately faced with the realities of the Canadian political and legal system.

If we are to proceed in an orderly fashion to solve some of these problems quickly and rationally, current law must be put to better use and new approaches must be explored. Given the constitutional and jurisdictional complexities of resource management in Canada, an all-out effort must be made by the legal community to assist in the formulation and, more important, the interpretation of legislation for the management and control of the environment.

Recognizing, however, that in a democratic society the public must understand and be able to utilize the law, we believe that citizens must be educated as to the legal recourse offered them. Unfortunately, the Canadian public and, indeed, most lawyers remain largely unaware of the existence of such remedies.

Recently a group of lawyers and law students, brought together by a common concern for their imperilled environment, formed the Canadian Environmental Law Research Foundation. Although a separate entity, it will work closely with Pollution Probe.

I urge the minister to get in touch with this organization and consult them in the development of his staff. Unless he has on his staff people who are not only knowledgeable about such matters as prosecutions but are endowed with the requisite tact and judgment to enable them to co-operate with other law enforcement jurisdictions, I fear the department of the environment will not carry out the purpose to which it is dedicated.

I wish to speak, now, about another organization which exists in my own constituency and which has concerned itself deeply with the question of local pollution, something which closely concerns federal jurisdiction and the proposed new department. This organization is called ForWARD 9, "ward 9" being the municipal designation of part of the area covered by the riding of Greenwood. It is a non-partisan, voluntary citizens' organization. It has formed a pollution task force which has surveyed the nature of the source of pollution in the area. Its findings draw attention to what are probably the three main

polluters: the Richard L. Hearn generating station of Ontario Hydro which is, itself, a creature of the Ontario provincial government; the municipal incinerator on Commissioner Street operated by the metro works department, part of the municipal government; and the main sewage treatment plant on Ashbridge's Bay, also operated by the metro works department. It turns out that the three main polluters are all public organizations, so the report throws light on what is likely to be one of the main problems in this field.

I shall not go into detail here as to the findings of this pollution task force, the type of pollution caused and the methods necessary to improve the situation. As to the hydro station, they say proposals have been put forward which if acted upon will lessen the damage being done by that plant. I should like to put on record the following conclusions reached by the task force:

1. These three plants are responsible for constant, hazardous and massive pollution of the city.

2. Methods of cutting down this pollution are known and available.

3. While there is some public discussion of pollution control measures, and a little implementation of partial schemes, there has as yet been no all-out effort to attack and eliminate pollution from these three plants.

4. The three plants belong to public and semi-public agencies rather than private firms. They are supposed to serve us and to operate in our interests. The condoning of pollution from such sources inevitably forces us to question whether our representatives at city, provincial and federal levels are yet either serious or honest in their much proclaimed concern to do something about pollution.

5. Finally, it is quite obvious that there are many ways in which the pollution could be cut down—e.g., regular replacement of screens on the incinerator stacks, better precipitating equipment at the incinerator and at the Hearn plant, covering the sewage plant tanks to cut down the smells, speeding up the sewer separation program, etc. All these improvements cost money. But pollution costs us a lot, too—every day, in many ways. It's hurting our lakes, our air, our houses—and probably our health too.

• (9:00 p.m.)

That is the authentic voice of people from my riding who are interested in this subject, and I am sure their message could be duplicated across the country, particularly in urban areas. I urge the minister to take full advantage of the provisions of clause 6 (b) which are as follows:

The minister of the environment, in exercising his powers and carrying out his duties and functions under section 5, shall—

(b) promote and encourage the institution of practices and conduct leading to the better protection and enhancement of environmental quality, and co-operate with provincial governments or agencies thereof, or any bodies, organizations or persons, in any programs having similar objects.

I would be glad to send the minister the address of the Forward 9 pollution task force so he may, if he wishes, be apprised of their findings. In working on this problem he and his department will have the advantage of the information gathered by many very knowledgeable and concerned people in the area.

There has been a lot of criticism of this bill, but I would conclude by wishing the new minister and the new department the very best of luck in the urgently important task that they will be undertaking. I suggest that this task will call for imagination, tenacity and fact. For the sake of future generations of Canadians, I sincerely hope the new department will be a success.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, in rising to take part in this debate I echo the sentiments of most members of the House who have spoken so far. I echo their expressions of concern for the environment and their good wishes to the minister. I think these expressions were sincerely put forward. If not totally sincere, they were at least put forward out of a very deep and continuing sense of concern for the condition of our environment and our seeming inability to cope with the problem as time goes by. I join these people in wishing the minister good luck in the task that faces him. No minister in Canadian history has faced such a monumental job with such a total absence of sources of information, guidance and precedents. As well, no minister, at least in my opinion, faces the task that is ahead of him with better skills, talents and, I am sure, more sincerity and dedication to the task of bringing some rhyme and reason to this headlong rush of madness that we are facing.

If I may be permitted one other comment in connection with the minister's very real responsibility, it is this. I hope the minister will have the fullest support not only of the cabinet in its present configuration but as well in its proposed configuration. I am a believer in numbers and I believe there is strength in assistance. Whether or not the minister will get that support every time he asks for it in trying to clean up all aspects of our environment and all the problems of pollution remains to be seen, but I have some confidence in his ability to get it.

Like my colleagues who have spoken before me, I express concern over the downgrading of our fisheries. I trust that in practice this will not take place. I am prompted to raise this question because of the very startling step taken today in closing down the swordfishing industry. The implications of such a move are very serious. I hope the minister is much more on top of the situation than the news that has come to our attention so far would indicate. The closure of this industry means the loss of a swordfishing fleet of 40 to 60 ships, involving 300 to 400 men and their families, not to mention the supporting services of the industry and the satisfying of the palates of thousands of North Americans who enjoy swordfish as a delicacy.

The source of mercury pollution in fish must be identified rapidly, not only to save the industry but to preclude the fear and panic that I think the minister is well aware could spread among those who enjoy this food. I am terrified that one morning I shall wake up and find the pollution situation so bad that I have to give up eating mackerel, lobster, tuna, cod, hake and halibut. The minister shakes his head, and I pray to God he is right—that this is just an isolated incident, a phenomenon of the industry. However, it is still my understanding that the source of this pollution has not been identified. The causes are not completely understood, but I hope they

will be as soon as possible, for the sake not only of those of us from the provinces next to the sea but for those inland who only know of the oceans through the delights of fish dinners.

With regard to the minister's department, like everybody else I have been waiting very patiently for a long time, realizing that the minister has no clear precedent to guide him—

Mr. Comeau: Just his head.

Mr. Forrestall: I am almost prepared to accept that reason alone, because time is running out. But the minister now virtually has his new department. As my colleague who just interjected said the other night, departments, concern, care and talk are all very well but it takes dollars and cents to do something about pollution. It will take dollars and cents to find out about the swordfishing industry, but it will take a hell of a lot more dollars and cents to lay out a program that will be effective against those primarily responsible for polluting our environment in its totality. Is the government prepared to make them pay for this?

Mr. Drury: We cannot do that without the legislation.

Mr. Forrestall: The minister says they cannot pay for it without the legislation. If the President of the Treasury Board would get on his feet and guarantee that the new minister of the environment will be given the necessary funds to clean up the Great Lakes, the oceans and our northland, I am sure the co-operation of the members on this side of the House would be very readily achieved. To come back to the question of money, so far no member on the other side of the House has dared even to approach the question of the cost of cleaning up our environment. Yet this must be done. The people of Canada who so anxiously await the steps to be taken by the minister also await a price tag. So I repeat the words of the hon. member for South Western Nova (Mr. Comeau): it takes money to fight pollution, and money must be forthcoming if we are to survive and not permit raw sewage to be dumped into our inlets, harbours and bodies of fresh water. I was going to mention the Ottawa River, but that is a moving body of water. Perhaps I should confine my remarks to bodies of water that do not have self-flushing capabilities.

• (9:10 p.m.)

One of the first steps the minister should take is toward stopping what is taking place. He should not accept suggestions and proposals which would only perpetuate in one way or another the problem we are attempting to attack. If we are to clean up pollution, let us at least start by putting an end to situations which permit new pollution to creep into our environment. When new plants are built, let us insist upon standards which are high enough to be effective and keep the air clean. Let us apply the same principle and influence in respect of the effluent that pours into our rivers, lakes and oceans. Let us put an end to this pollution quickly.

In spite of the difficulties the minister will face in the coming months with the type of legislation and regulations required, he will find comforting support among his colleagues in the House of Commons. I hope he is aware of the fact as he steps forward armed with his new legislation.

One might argue that it is a form of pollution to allow governments and societies to continue to discard policies before they have been effectively used, policies which have been demonstrated to be effective but which are changed in some way to meet the demand for change. This happens frequently. It seems to me that those who are filling responsible positions have been by and large useless. The cabinet system has not been a bad one up to now. The worst I can say about it is that I think it is in the wrong hands. Our system of government seems to have worked fairly well for a number of years but I am not at all sure it has not outlived its usefulness. That is one of the conclusions one must draw from what appears to be the intent of this legislation. It seems to discard other policies simply because change seems to be the desirable thing. When we discard ideas and concepts before they have fully served the needs of society, we have wastage—and that is pollution. As my leader said some days ago, this is prideful pollution and it is unnecessary at this time. It is wasteful in itself when it has not been demonstrated to the satisfaction of the people of Canada that there is a real need to expand the cabinet.

The people of this country, through their representatives in the House of Commons, are being asked to accept this open-ended legislation. This is wrong, if the legislation is placed in the hands of those who would use it for other than correct purposes, in terms of our understanding of the political system. Sometimes I wonder just what is the concern of the Prime Minister (Mr. Trudeau) and the government in proceeding to this extent. What does this all mean, and how far do they intend to go? What is their intention? Apart from the department of the environment, for which there is an obvious need, why do we need these open-ended ministries of state? They are very loose in their application.

An hon. Member: How about pay-offs?

Mr. Forrestall: Good salaries and pay-offs could make the boys happy. That is one argument, but I think it is a little too simple. The government could act on the Beaupré report: that would keep the boys happy and it would not displease me.

An hon. Member: And it would cost less.

Mr. Forrestall: It would cost a lot less in the long run. I am little more concerned about this measure than is expressed by that suggestion. The legislation seems a little too superficial. I wonder what this bill really has to do with the acquisition of power. Let me cite an example and in this way perhaps throw some light on the message of my western colleagues. Let me caution the Premiers of the provinces west of the Manitoba-Ontario border. Inherent in this piece of legislation is an uncontrolled de-

sire to effect total and absolute power, not in a wider and broader cabinet but in the hands of relatively few people. I wonder why the government and those close to it desire the type of power included in this legislation.

I refer to an article which appeared in a periodical in that city across the harbour from mine, the capital of Nova Scotia. It is entitled "The 4th Estate". In volume No. 2, issue No. 28, dated January 21, 1971—just eight or nine days ago—there is the headline, "Tom Kent Killing Maritimes". It is the use of power in such a manner that I have alluded to which would cause a reporter such as Dulcie Conrad, who has eight or ten years' experience in covering the political scene in Nova Scotia, to write the type of article the editor would feel deserved such a headline. Whether I am right or wrong, I have no pathological fear of Tom Kent, deputy minister notwithstanding. One must take note of such an article by a responsible reporter with some prestige and some ability, depending on whether you agree with her or are in favour of what she says at a given time.

• (9:20 p.m.)

I would like to quote from this article so as to demonstrate what I am afraid is really happening. I refer to the divide and conquer policy which a handful of people with tremendous power can apply. Miss Conrad writes:

> The latest example of Mr. Kent's power over maritime planning was his order to Liberal Premier Gerald Regan of Nova Scotia to get rid of the province's newly formed cabinet secretariat, a planning body set up by the previous Conservative government. The secretariat had been making at least a tentative start at planning for Nova Scotia at the provincial level keeping in mind special provincial conditions and, hopefully, the feelings of the province's people.

What concerns me is that a perceptive writer would attempt to deal with power in this way. I do not believe that she is shooting down Tom Kent. I do not think Dulcie Conrad has a pathological fear of Tom Kent. She is really asking what happens to a province when a minister is given virtually unlimited authority to do things. What happened to Prince Edward Island? My dear friend and colleague, the hon. member for Hillsborough (Mr. Macquarrie), is not here. If he were, he would tell you—and so would the people of P.E.I.—that they have lost their provincial rights, they have lost their autonomy.

I would not be afraid to bet a buck with anybody that in the preparation of budget considerations and papers for the forthcoming fiscal year, every blessed minister in that province had to submit them to Tom Kent for approval before they could come up with their final budget or estimates. The suggestion, of course, is that Tom Kent or the Deputy Minister of the Department of Regional Economic Expansion is using the same type of control and the same type of power in the province of Nova Scotia. I am afraid of that type of power. I am afraid of a philosophy of political office that says: Let us appoint a whole lot of ministers. Let us so divide and conquer, let us so spread out the responsibility of government that any one of the responsible ministers can be ticked off just like that.

I am afraid of that. Better a powerful, single, bad man whom you can understand than the weakness that comes with the division of broad responsibilities so that surreptitious methods can be employed to usurp power, to take away power, and in this case to take away power from provinces which enjoy it and have every right to it.

The story is that Tom Kent is killing the Maritimes. By God, he had better not try it! But that is not all. So extensive is the article that the newspaper decided to editorialize it. The title reads, "Stop the Sellout to Ottawa". Again, this type of headline by an editor or an editorial writer is born out of a sense of fear, not of what could happen but what indeed is happening. Of course, the bill speeds up that process. It creates a ministry with tremendously broad authority and unlimited power which, mind you, is still open and above board. People can see and understand it and they can deal with what they can see and understand. But there is fear of a broadening of power, for whatever reason, of ministries about which we know nothing and whose authority is open-ended and unlimited. The author of the editorial asks:

> Who should have the final say about how the three maritime provinces plan for their future future economic development?

This is a rhetorical question. There is no question about it in my mind. It has to be done jointly. That may surprise hon. members. It must be above board and open. But the intitiative and final authority must come from the Maritimes. The author goes on to answer the question, also rhetorically:

> The federal government, which provides the bulk of the money for this development? Or the political leaders of the three provinces who are—or should be—in touch with what the people they serve feel are the important issues of development?
>
> There's the old saying, he who pays the piper calls the tune.

It is this hidden uncertainty, this unknown quantity that gets me to my feet tonight to express some concern. I do not think the government is moving in this direction simply to create and enhance income positions for 60, 70, 80 or 100 of its members. I do not think they are quite that stupid. I do not believe they are quite so unsubtle as that. I think there is a much more sinister reason behind their action. There might not be, mind you, but I would still like to see a minister rise to his feet and talk seriously about what really is intended by this legislation and tell us what it means. What does the government intend to do with an unlimited number of ministries?

A colleague of mine on this side of the House said the other day that if they are interested in an efficient government there are many examples around the world at which they could look, not the least of which is the British House of Commons where with a relative handful of men—12 or so—they manage the affairs of a nation of 50 million or 60 million people. Great Britain has a unitary form of government. I wonder if that is what this government is after. I wonder sometimes whether they are trying to create such a proliferation of ministries that, for example, cities will rapidly become less concerned with dealing with Ottawa through their provincial legislatures. I wonder if this is what they are after.

Are they trying to make service so acceptable to people as to bring about a situation where they can leapfrog over the whole system of government in Canada, that is to say, the existing levels of government provincial and municipal? I wonder if that is what they are after. Whatever it is, I am afraid they are attempting to divide and conquer, to so diversify responsibility that no one will ever really know who is supposed to answer for what. This would let men like the Deputy Minister of Regional Economic Expansion and men like the director of the cabinet—the real source of power in this country—Mr. Lalonde in the Prime Minister's office, do what they damn well please about the country. I for one do not like that. I do not think the people of Canada will accept it, but that is what seems to be happening.

• (9:30 p.m.)

We have blank looks on the faces of members on the front benches opposite when matters are raised. Just the other day we raised the question of aid to Francophone college graduates. Good God! Who knew about it? Where did it come from? I do not know why anybody is puzzled about it. It came out of the Prime Minister's office, but probably not with his knowledge. It came out of that real source of power, or what seems to be becoming the real source of power. It was not the deputy ministers, a closely knit little group of people who whenever they run across a problem say, "Feed them peanuts, feed them apples. We will fix them up one way or another." This is not the way Canadians want their government to operate. I do not think that is pursuing the course that the vast majority of Canadians want to follow. I wish to read another comment from "The 4th Estate" as follows:

> The N.S. secretariat, and its chairman, planner Len Poestchke, are being axed by the provincial government because they could prove a thorn in the side of Mr. Regan when he wants to collect a fast bunch of goodies (in the form of money from Mr. Kent's Department of Regional Economic Expansion for such things as highways and sewerage systems).

What prompts a writer to make comments like that unless it is fear about who wields the political power, unless it is fear about the method by which the destinies of Canadians are being controlled? Mr. Regan is not alone in his surrender to this bureaucracy. Premier Campbell has also been involved. The new Premier of the province of New Brunswick, Mr. Hatfield, hopefully has seen enough to know how to approach the federal authorities.

I say to my hon. friends from the Prairies that when the government comes to them bearing gifts for infrastructure developments, saying "What do you want and we will give it to you?" let them beware. I fear that the thing they are after is total and absolute power. That is a form of pollution. Pray God what I am saying is not true; but if it is, it is probably the worst form of pollution this country will ever face.

Mr. Stan Schumacher (Palliser): Mr. Speaker, at the outset I must say that I do not see much in this legislation that looks like a gift for western Canada or for any other part of our society, with the exception of a few more members of the Liberal party who will be advanced to the esteemed position of Parliamentary Secretary.

[Mr. Forrestall.]

The headline item in this legislation is the establishment of the department of the environment. Of course, this is a very saleable item at the present time, but I believe the government is using it as a method of slipping through many other things that are not quite as desirable and that probably would not stand the test of careful scrutiny. If the bill does nothing else, we can hope that with the establishment of a single department of government concerned with fostering a better environment in Canada, all the agencies concerned with that objective will be drawn under one roof.

I understand that there are well over 100 agencies of the federal government concerned with various aspects of protecting our environment, but in many cases they do not know what each one is doing. They seem to be going off in all directions, duplicating many functions at the expense of the taxpayer. In many respects they could be considered inflationary because they spend money but do not produce very much. So perhaps we can get some sort of efficiency into this aspect of the government's activities.

What worries me is that once the government estalishes this department it may be tempted to split its authority, which it has already done with respect to other departments, particularly the Department of Agriculture. The Department of Agriculture is nothing more than a name at present. So far as western Canada is concerned, most of its important functions have been hived off in other places; for example, I think of the Wheat Board which has travelled through a number of ministries and is now resident in the Department of Manpower and Immigration.

I would like to hear an explanation from the minister who is piloting this legislation through the House as to why the government does this. Why does it not leave the things that are concerned with a particular area under the control of the minister who would ordinarily be thought to be responsible for that area? In light of the government's past actions in this regard, we are rather suspicious of what may happen in this case. If the government is really concerned about organization, why does it not do something about the split in jurisdiction between the Department of Manpower and Immigration and the Department of Labour with respect to unemployment problems? Since the Unemployment Insurance Commission has remained with the Department of Labour, the Manpower centres across the country no longer deal with unemployment insurance; such matters have now been centralized in the larger centres. From questions raised each day during the oral question period, we know that serious problems exist in the administration of unemployment insurance.

An hon. Member: They give counsel.

Mr. Schumacher: My hon. friend says that they counsel, but I think they are developing an attitude of arrogance, something which seems to be prevalent in Liberal administrations. I think that those in the unemployment insurance offices do not care whether people have to line up. They treat people like sheep. In many cases the clerks are shuffling papers back and forth while the

unemployed have to stand in line as if they were seeking a favour instead of a service which the government has a duty to provide.

• (9:40 p.m.)

I think of a situation in the city of Calgary. A painter became unemployed on January 4 and submitted his claim on January 5. Last Friday, January 29, I believe, he was advised by the Unemployment Insurance office in Calgary that his claim had been lost and so far as they were concerned he had to fill out a new one. We are talking about government organization. I think the government should be more concerned about the every day administration of programs already on the statute books and should try to accomplish practical results, instead of shuffling matters around as it is here. That course, I submit, is not really productive.

I refer to another part of the bill. I went through the bill and saw that it contains many parts. I can understand why so many people have objected to lumping together so many pieces of legislation in one bill. I think there is probably room for suspicion. Perhaps the government is trying to put something across. Some matters are being introduced which properly ought to be introduced under separate bills. Hon. members have referred to the question of Parliamentary Secretaries. I have not studied that office, being a new member on the opposition side of the House and therefore I have no practical knowledge of it. I do not understand why a substantial increase in Parliamentary Secretaries is contemplated in the bill. It seems that if this bill is passed well over 30 new Parliamentary Secretaries could be appointed.

Mr. Paproski: The government backbenchers are not making enough money.

Mr. Schumacher: The increase could be in the order of more than 100 per cent, compared with the present number of Parliamentary Secretaries.

An hon. Member: Shame!

Mr. Schumacher: I can only speak of Parliamentary Secretaries from personal observation. On the first day of the resumed part of the session, the hon. member for Vegreville (Mr. Mazankowski), as reported at page 2272 of *Hansard,* diverted a question to the Minister of Agriculture (Mr. Olson). That minister was not here. According to the roster system, he should have been here. In his absence the Parliamentary Secretary said he would look after that inquiry of the ministry. Actually, the Parliamentary Secretary said he would bring the matter to the minister's attention and that he hoped a proper answer could be provided on the following Thursday, which I believe was January 14.

Mr. Mazankowski: Many Thursdays have since gone by.

Mr. Schumacher: As my hon. friend from Vegreville says, many Thursdays have since passed and no answer has been given. Your Honour knows that because the question was asked during the question period, it must have been urgent; otherwise, I suggest, it would not have been allowed.

Mr. Mazankowski: The matter still is urgent.

Mr. Schumacher: It concerns the outbreak of rabies, a disease prevalent in western Canada at present. The matter is still urgent, and the Parliamentary Secretary still has not answered. This leads me to believe that our present Parliamentary Secretaries are not overworked.

Mr. Paproski: That Parliamentary Secretary no doubt needs an executive assistant.

Mr. Schumacher: Perhaps, as my hon. friend for Edmonton Centre (Mr. Paproski) says, he needs an executive assistant.

Mr. Marchand (Kamloops-Cariboo): So do some others.

Mr. Schumacher: The hon. member for Kamloops-Cariboo (Mr. Marchand) wants one too.

Mr. Paproski: He needs a couple, to help him on his trips.

Mr. Schumacher: As far as I am concerned, Mr. Speaker, although there is a demonstrable need for the new department of the environment there is no demonstrable need for other parts of this legislation. I object to doing things that are not required to be done. I have said before—and I shall probably say it again—this government is doing too many things that could well be left undone. The government's attitude is that it knows best how to order the affairs of this country's citizens, a philosophy I cannot and will not accept. I feel that is the main reason behind our unemployment crisis. Most people in this country do not feel that the government will allow them in future to determine what ought to be done with the rewards of their labour. They do not know how much money they will be allowed to keep. They do not know whether a government directive will take money from them, money that will be used for purposes over which they have no control.

I think it is clear that the private sector of the country lack confidence in the immediate future. Such people are holding back. The last budget was an example of the government's philosophy. It would not cut taxes and allow citizens to decide how to spend their money. It kept taxes high and directed the money where it thought the funds would do most good. Evidently the government does not have the answers. We heard today that only about $40 million, or 25 per cent of the loan fund, has been taken up. Even that money will not work to create jobs. We also see that the government is doing its best to fill the gap left by private capital which has been leaving Quebec. I suggest that no government can fill a gap of that size.

In the meantime, those areas that could be productive, in the short term, in the creation of employment are not being attended to. Obviously the government does not know what to do. It does not have the right answers to our difficulties and as a result the economy is stagnating.

An hon. Member: They are saving our money.

Mr. Schumacher: I do not know that they are saving it. Certainly they are spending it and even that does not seem to be doing any good. That course will never produce the results the government hopes to achieve. If the government has any desire to reorganize, I suggest it should begin at the bottom and not at the top. Let it begin with those areas that directly affect the private citizen. The private citizen is not overly concerned about the number of departments of government or ministers of state, except to the extent that the additional bodies will mean more expenditures and additional bureaucracies which grow under new ministers.

Although the concept of a department of the environment is good, I do not think much can be said for the rest of the bill. Before resuming my seat I would mention the superannuations dealt with in this bill. It appears to me that some of our senior civil servants were involved in the drafting of that part of the bill for their own benefit. I really do not see what merit there is in that portion of the legislation. What has this to do with a bill on government organization? I think that part of the bill should receive more attention from Your Honour. Your Honour ought to decide whether it is proper to include such a provision in this type of bill.

• (9:50 p.m.)

Mr. Frank Howard (Skeena): Mr. Speaker, as stated by several hon. members, a bill of this nature provides a tremendous amount of scope for debate because it encompasses so many aspects. I hear the government whip muttering from his seat. Regretfully, I did not hear what he said—not that it matters a great deal. Initially I wish to deal with that part of the bill which relates to the establishment of a department of the environment. I also have some views regarding other parts of the bill. As there are only five or six minutes remaining this evening, I will deal only briefly with the proposal to establish a department of the environment.

In recent years almost everyone has got into the act of pollution control. There has been a tremendous amount of discussion on the subject. A large number of community groups and organizations of a voluntary nature have become concerned with the environment and its quality and preservation. Politicians are not excluded from this exhibition of concern. At least on paper, the proposal of the government indicates that it wants to exhibit another aspect of its concern about environmental matters. Perhaps the most helpful aspect of concern which the general public is showing is the intensity with which the younger generation is approaching the problem. I am familiar with a great many grade school students in my constituency and other areas. Many of them have embarked upon essays and projects relating to environmental matters in their own areas. Some have even effected prosecutions against industries in contravention of the various provincial laws relating to pollution control. This is very gratifying because these young people depend upon the heritage which we will establish. Young people feel they are going to live forever. There is a tremendous period of time in front of them. As one gets older, that period of time shortens. Perhaps that is why older people have a less enthusiastic and intense approach toward matters such as this.

The government is faced with the British North America Act. The government has not shown any great interest or desire in overcoming the problem of our Constitution. The British North America Act gives the provinces exclusive jurisdiction over matters relating to civil and property rights. The exercise of that jurisdiction prevents Parliament enacting legislation for environmental control or legislation that impinges upon the rights of provinces, municipalities and individuals. The Canada Water Act was passed in the last session of Parliament. It conceived establishing authorities and criteria for water quality control in Canada. The proposals in the Canada Water Act were, and still are, merely pious expressions. The act is of no value to Canadians unless there is mutual agreement with the provinces. As a consequence, we have a piecemeal approach to that aspect of the environment which relates to water.

The bill before us seeks to establish a department of the environment. Any companion legislation dealing with pollution of land, air or any other aspect of our environment will hinge upon agreement being worked out with the province. This does not apply to fisheries and shipping, where we have constitutional jurisdiction. That is not the proper approach to the matter. It simply reflects an oversensitivity on the part of the Prime Minister (Mr. Trudeau) with regard to technical concepts and constitutional rights.

I am not suggesting that Parliament should take action which would override the constitutional authority of the provinces. Ethically and morally that is not right. In any event, it would flounder in the Supreme Court. The government is not prohibited from proposing to the provinces specific constitutional amendments to deal with the environment. In 1941 there was an amendment which dealt with unemployment insurance. A few years ago there was a constitutional amendment dealing with survivors benefits under the Canada Pension Plan. At that time there was unanimous agreement on the part of the provinces to give this authority to Parliament.

The matter of environmental control is as vital as life itself. If we do not act quickly, there may only be two or three generations of life left in the world. Surely this fact should be important enough for the government to overcome its extreme sensitivity about the constitutional question and directly propose to the provinces that differences of opinion about the Constitution be set aside. Surely there is some common ground where Parliament can have jurisdiction over environmental matters. Rather than approach the subject on a piecemeal basis by agreement with the provinces, it should be dealt with by Parliament because the problem is national in scope.

May I call it ten o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

CANADIAN NATIONAL RAILWAYS—REQUEST FOR GOVERNMENT COMMITMENT RESPECTING PENSIONS TO EXPEDITE HOUSE BUSINESS

Mr. Stanley Knowles (Winnipeg North Centre): Before I begin, Mr. Speaker, I wonder if I can be given a nod as to whether there is someone in the House to answer my question.

The Acting Speaker (Mr. Richard): Is the hon. member rising on a point of order?

Mr. Knowles (Winnipeg North Centre): There are two questions, one in my name and one in the name of the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), which call for an answer from the Minister of Transport (Mr. Jamieson) or someone representing him. I do not see anyone who might be doing so, or is the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) going to give the answer?

Mr. Mahoney: That is correct.

Mr. Knowles (Winnipeg North Centre): It is good to know there is someone in the House to give an answer, but what an answer we usually get from him! As hon. members are aware, on September 9, 1970, the Standing Committee on Transport and Communications adopted a report in which there was a clearcut recommendation for immediate increases in the pensions of retired employees of Canadian National Railways along the lines of the increases provided for retired federal public servants.

• (10:00 p.m.)

An hon. Member: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I am glad to note the applause from the other side of the House and on this side of the House as well. That report was presented to the House of Monday, October 5, 1970. Two days later, the House of Commons unanimously endorsed it.

Mr. Perrault: Hear, hear!

Mr. Knowles (Winnipeg North Centre): There is another "Hear, hear". We are doing well tonight, Mr. Speaker. In other words, it is the clear and unanimous wish of this House of Commons, including all the members of all parties, cabinet ministers, backbenchers and all, that the pensions of retired employees of the Canadian National be increased.

On Friday, October 9, 1970, I asked the Minister of Transport whether he would bring this matter to the attention of the railway company. He said he would do so though he had the impression the company was aware of it. I asked a similar question on October 23, 1970, and was told the matter was still under consideration. There was a "late show" discussion of the issue on Monday, October 26, 1970, and there was the usual talk about the sympathy felt for this proposition on the government side of the House, but we had to let the CN run its own affairs.

Some of us, Mr. Speaker, have contended throughout this business that since the CNR is before the House seeking a large sum of money, we have the right to get this matter settled, to get this wish of the House of Commons complied with, before we vote these additional amounts. Therefore, on December 11, 1970, as reported in *Hansard* at page 1965, I asked the Minister of Transport whether he would be able to assure hon. members that these pension increases would come through so that we could get on with the business of passing the CN financing bill. The answer on that occasion was not particularly satisfactory and that is the reason the subject was posted for a "late show". In the meantime, however, on January 22, 1971, as reported at page 2659 of *Hansard,* I put the following question to the Minister of Transport:

> Has he yet received assurances from the Canadian National Railways that the pensions of retired CNR employees will be increased along the lines recommended by this House?

The minister in his answer referred to discussions he had had with CNR and then said:

> I think I can say at this time that there is sympathetic response. I have asked for the specifics of what the company is anticipating it will do and I should have this information on Monday or Tuesday of next week.

Well, what was then next week is now last week, so really all I am doing in raising the issue tonight is giving the government, out of the kindness of my heart, an opportunity to tell us it now has the specifics of what is to be done about this very important matter. I do not think this House or the retired employees of the CNR should have to wait any longer. It is a reasonable proposition which has been made, and the entire House is behind it. I think the CNR should be told in plain language that the time to put these pension increases into effect is now.

Some hon. Members: Hear, hear!

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): At the outset, Mr. Speaker, I should like to inform the House that I am responding to this question on behalf of my hon. friend the Parliamentary Secretary to the Minister of Transport (Mr. Duquet) who is, regrettably, in hospital at the present time.

The hon. member for Winnipeg North Centre (Mr. Knowles) has raised this specific question on a goodly number of occasions over the past six months. It is an important one and I think all hon. members are aware of the hon. member's genuine concern on the subject of pensions. I recall the extensive work of the Standing Committee on Transport whose recommendations as set out in the fourteenth report put new impetus on the Crown corporation, the CNR, to look closely at their different pension schemes. The Minister of Transport

(Mr. Jamieson) has explained to the hon. member and to the House on different occasions, most recently on January 22, that he has had direct discussions with the CNR on these recommendations. He has expressed hope of what would appear to be a sympathetic response by the company in their discussions.

There are, as all hon. members know, complicating factors in that different aspects of the pension issue are a matter for collective bargaining. While it would not be appropriate to comment on this particular point, the subject was covered in the House by the Minister of Labour (Mr. Mackasey) in a reply to the hon. member from Moose Jaw (Mr. Skoberg) on January 20, and again on January 22 by the Minister of Transport in a reply to the hon. member for Winnipeg North (Mr. Orlikow). In responding to this adjournment proceeding, the Minister of Transport has asked me to express to the hon. member and to the House that he is optimistic about this subject and very hopeful that progress will be forthcoming at an early date.

CANADIAN NATIONAL RAILWAYS—DISCONTINUANCE OF DINING CAR SERVICE, OTTAWA-MONTREAL

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, some time ago Canadian National Railways announced it was going to discontinue the dining car service on their passenger trains between Montreal and Ottawa. When the CNR made that announcement, several of us in this House protested. I personally approached the president of the CNR, the president of the Canadian Transport Commission and the minister. Hon. members protested because, to begin with, these trains travel at the breakfast hour and the supper hour and have been receiving very heavy patronage. As a matter of fact, I travel on these trains very often and it is not uncommon for me to have to wait up to half an hour before I can get into the dining car.

In addition, many people use this train between Ottawa and Montreal—a service between the national capital and Canada's metropolis—because the highway is so bad that it is almost impossible to drive upon it safely. I think someone wrote an article recently pointing out that this stretch of highway has had the highest rate of accidents and deaths in Canada for the last few years. We based our protest also on the fact that more people would be put out of work at this time of heavy unemployment if this service were withdrawn.

In posing my question to the Minister of Transport (Mr. Jamieson] last Friday, I asked whether he had received any further answer from the CNR on this matter and he replied he had not. At that time I had not received any answer from the CNR either, but today I received an answer from the president of the CNR in which he stated that despite the use of the service, the CNR is sustaining a loss of $300,000 annually. I am not suggesting that the government of Canada should subsidize people's meals on this service to the tune of $300,000 a year. But I am wondering whether the railway has really looked into alternate methods of providing dining car service. I think many people would be willing to pay an additional amount to receive a good meal in the morning and at supper time. Has the company investigated the possibility of giving out a concession for this service?

What really disturbs me is this. I support what has been said by the hon. member for Winnipeg North Centre (Mr. Knowles). I was a member of the transport committee which put forward the report on pensions, and what bothers me is the way the CNR disregards the wishes of the elected representatives of the people. It seems to me that the CNR should not only administer this national railway in an economical and efficient manner, but should also administer it with a social conscience. I am not convinced that they do this. They are not doing this with respect to pension plans, they are not doing it when they take off a dining car service at a time like this.

The minister's representative is here tonight, and through him I ask the CNR to reconsider this whole decision. I ask them to reconsider whether there might not be a way of providing this service and in particular I ask them to pay more attention to the fact that they are a national railway. They should serve the needs of Canadian people. When they come here from time to time and ask for money through a finance bill, we should have the right, as members of Parliament did in the seventeenth century in England, to refuse them money until they deal with our grievances.

• (10:10 p.m.)

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the Minister of Transport (Mr. Jamieson), is very much aware of the decision of Canadian National Railways to adjust food service facilities on the Montreal-Ottawa passenger service effective today. It is understood that the adjustments, including the specific one mentioned by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), were designed to rationalize the Montreal-Ottawa service. They include revised arrival and departure times at both cities, the use of rail-liner equipment on several trains and reduced club car fares. The dining car service, which is extremely expensive to operate, is being replaced by hot snack and bar service facilities.

As the hon. member knows, the Canadian Transport Commission is also aware of this matter. In reference to the National Transportation Act, this decision is one which the railways are free to make without coming to the commission for prior approval. The Canadian Transport Commission would, of course, be required, subject to the terms of section 315 of the Railway Act relating to the adequacy and suitability of accommodation and incidental service, to investigate complaints respecting the change.

I assure the hon. member that I would be pleased to bring his representations to the attention of the Minister of Transport, who will no doubt refer them to the government-owned railway for its consideration.

Mr. Knowles (Winnipeg North Centre): That will be a big help!

EXTERNAL AFFAIRS—PROPOSED AMCHITKA UNDERGROUND NUCLEAR TESTS

Mr. Barry Mather (Surrey): Mr. Speaker, in the very few moments at my disposal tonight I want to ask the government whether it is going to allow another and very much greater nuclear underground test in the Aleutian Islands of the North Pacific, to the potential peril of British Columbia and coastal communities. Is it going to protest this intention of the United States government, as indicated over the weekend in President Nixon's speech, as it did in 1969 in the case of a smaller test? If such a protest is made and fails, will the government consider other protective action on behalf of British Columbians?

I should like very briefly to interpolate the fact that my concern over the proposed Aleutian explosion is underlined by two other developments also exposing British Columbia to foreign pollution. I refer very briefly, Sir, to the announced intention of the Atlantic Richfield Oil Company to ship oil by tanker from Alaska down the B.C. coast, through Puget Sound to a point within a few miles of British Columbia recreational and beach areas in my constituency, with its attendant danger of oil spills. I also refer to the application for the right to build a spur railroad line from a B.C. coalfield to link with a U.S. rail line in order to ship coal to the United States and up through the existing rail line in White Rock and Crescent Beach in my area. This is some of the most beautiful beach area on the continent.

Specifically in connection with the news we heard over the weekend of the intention of the United States government to provide funds for this very much greater nuclear explosion in the Aleutian Islands in the north Pacific, I want to say that this is an area which is earthquake prone. While there was no quake and no tidal wave as a result of the small test in 1969, there is certainly no guarantee that this will not happen as a result of the test which I understand is to be made next fall. British Columbians, at least, can recall the effects of the Alaskan earthquake which took place a few years ago. There was a tidal wave generated in the same area which resulted in high waves crashing into B.C. communities such as Port Alberni, causing tremendous damage.

The underground nuclear test planned in the Aleutians by the United States—I have studied this matter at some length—will be of immensely greater blast power than the previous one, having the power of thousands of tons of TNT to be exploded underground in the Aleutians in what we could call British Columbia's back fields. I think this proposal is a very foolish one from three points of view. In the first place, it will cost millions of dollars to the United States even if it does no damage to Canada, to Alaska or to other areas on the Pacific coast. In the second place, it can do no conceivable good; it will only spur the Soviet Union to undertake similar, insane tests. In the third place, it really poses a threat to the health and property of Canadians.

I remind hon. members that in 1969 this government warned the United States, in the case of a smaller test, that if damage resulted to Canadians we would expect the U.S. government to compensate Canadians for that damage. In other words, we objected to that test. Now we are faced with a much larger one. My general contention is that British Columbia, and British Columbians in particular, are in danger from what is proposed. I ask the government whether it is going to accept this threat of foreign pollution or whether it is considering what efforts it may make to prevent the test being conducted.

[*Translation*]

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, as hon. members know, the decision of the United States to undertake a series of nuclear tests on Amchitka Island in the Aleutian Islands prompted Canada to make very energetic representations to the American government.

I understand the point of view of the hon. member, especially as the Canadian government is extremely concerned about the very serious consequences the explosions could have on the environment. But it is also worried about the whole matter of nuclear testing. In fact, Canada is extremely worried about all nuclear tests in general and our aim is that nuclear tests everywhere, including of course underground, must stop as soon as possible. We hope that it will be possible in the near future to come to an agreement to end all nuclear tests. This is our hope in Canada, and this is what the government is endeavouring to realize.

In this connection, we expressed the hope that every country which is not a party to the 1963 treaty which provides for partial prohibition—including nuclear powers such as China and France—will sign and ratify this treaty. In the meantime, in order to facilitate progress toward a total prohibition of tests everywhere, the Canadian delegation to the Geneva Committee on disarmament kept up its efforts to further an agreement, by requesting international exchanges of seismic data which would assist in identifying undergroung nuclear tests. At the General Assembly of the United Nations in 1969, Canada moved a resolution urging member states to provide information on their methods to detect earth tremors and to indicate which data they would be prepared to communicate on a guaranteed basis, in an international exchange on detection and identification of underground tests through seismological methods.

Motion agreed to and the House adjourned at 10.22 p.m.

HOUSE OF COMMONS

Tuesday, February 2, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

SINGAPORE COMMONWEALTH CONFERENCE—TABLING OF COMMUNIQUÉ AND DECLARATION

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I referred yesterday in my statement on motions both to the final communiqué of the Commonwealth heads of government meeting and to the Commonwealth declaration. Under Standing Order 41(2) I should like now to table each of these documents and, should it meet the pleasure of the House, request that they be printed as an annex to *Hansard* for the convenience of members, as has been done in the past.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of above documents, see Appendices A and B.*]

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THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to move a motion under Standing Order 43 having to do with the projected takeover of a Canadian oil company by a United States firm. Since 83 per cent of oil and gas production and 99 per cent of petroleum refining in Canada are now under foreign control, it seems imperative that the government should take action, as it did in the case of Denison Mines, to preserve a degree of Canadian ownership. I therefore wish to move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), the following motion:

In view of the announcement that negotiations are in progress for the purchase of Home Oil Company Limited of Calgary, Alberta, by Ashland Oil Incorporated, of Ashland, Kentucky, this House urges the government to take whatever steps are necessary to prevent the takeover of the largest remaining Canadian-owned oil producer.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Nanaimo-Cowichan-The Islands. Under Standing Order 43, is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the hon. member's motion cannot be put.

• (2:10 p.m.)

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—GOVERNMENT ACTION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. I am happy to see him looking so well on his return from Halifax. Has the minister had conversations with the executive of the Home Oil Company and the alleged prospective purchaser of control of that company? If so, can he indicate very briefly the nature of the conversations?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I thank the hon. member for his kind words. I want to assure him that while in Halifax I paid his respects to the people of Nova Scotia. With regard to the question, Mr. Speaker, I have had conversations over a period of some weeks both with the potential buyers, the Ashland Company, and with the president of the Home Oil Company with regard to the purported sale. I have urged upon them the desirability of maintaining a majority Canadian ownership and Canadian control in this company. To date the president of the Home Oil Company has clearly displayed his very keen interest as a Canadian citizen in maintaining a majority interest in Canadian ownership. Under the laws that exist, I will, to the best of my ability, continue to maintain the position that this major Canadian oil company should be retained as a Canadian company.

Mr. Stanfield: I am sure that Mr. Brown is anxious to maintain control of this company in Canada, but is the government making any proposals to assist in the retention of the control of this important independent oil company in Canada?

Mr. Greene: We can only operate under the law as it exists, Mr. Speaker, and within the law as it exists we will do everything possible to assure the maintenance of this company as a Canadian company. I am assured that

both the potential American buyer and Mr. Brown, the president of Home Oil, are very much aware of the government's concern that this company be maintained as a Canadian company.

Mr. Stanfield: May I remind the minister that there are ways of accomplishing things other than by issuing orders. Does the minister now realize that some of the proposals in the white paper on tax reform make it very difficult for independent oil companies to operate successfully and face the future with confidence?

Some hon. Members: Hear, hear!

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Woolliams: On a point of order, Mr. Speaker, with the greatest respect, it seems that Your Honour jumped the gun a little soon. The minister was about to reply and I would like to hear his reply.

Mr. Speaker: Order, please. Perhaps it is the hon. member who has jumped the gun. I suggest to the hon. member with respect, in the same way in which he commented on the Chair's reaction, that that is hardly a point of order. It was my impression that the Leader of the Opposition was satisfied to let the matter rest, having made his comment. His question was more in the nature of comment, argument or debate. I would not think the Leader of the Opposition would insist that the Chair fracture the rules to allow the minister to reply. In any event, the Chair has recognized the hon. member for Nanaimo-Cowichan-The Islands.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Since Mr. Atkins, the President of Ashland Oil, has said he is negotiating to secure a controlling interest and not a minority interest in Home Oil, can the minister tell the House whether he has received any assurance either from Mr. Atkins of Ashland Oil or from Mr. Brown of Home Oil that a Canadian majority interest will be retained in this transaction now being negotiated?

Mr. Greene: I have no legal undertakings or anything as strong as that, but certainly Mr. Brown, the president of Home Oil, has indicated very clearly his desire that this company be retained as a majority Canadian company. Mr. Atkins, president of Ashland, has also indicated to me that he fully understands the representations I have made to him as to the desire of the government that this company be continued as a Canadian company and as to the political sensitivity of the Canadian people in this regard, and he is making every attempt to assure that this be enabled although again, as I have said, I have no legal undertakings in that regard.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the minister's statement a few moments ago that he can only operate within the law, may I ask the hon. gentleman whether the government is prepared to exercise the same powers with respect to Home Oil Company remaining in Canadian hands as were exercised by the government with respect to Denison Mines in order to maintain a measure of Canadian ownership in each of these industries?

Mr. Greene: I cannot speak for the government in that regard at this time. That would be a matter for the government to decide. However, I am sure that the very positive decision taken by the government at the time of the Denison situation is very much in the minds of the potential United States buyer.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since this is of great importance and there is not much value in discussing it after the transaction has been completed, will the minister undertake to report back to the House as to the success of his negotiations with these two companies and indicate whether or not he has been able to persuade the Canadian company to retain a majority interest and Ashland Oil Incorporated to be satisfied with a minority interest?

Mr. Greene: I quite appreciate the very great importance of this question to the Canadian people and to this House, and I certainly undertake to keep hon. members apprised of developments as I am aware of them and as I feel that within the sensitivities of my relationship with the buyer and seller I am able to do so.

FOREIGN OWNERSHIP OF CANADIAN COMPANIES—
INQUIRY AS TO REPORT

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a related question for the Minister of National Revenue. Can the hon. gentleman tell us the date by which it is expected a report will be received from the working group set up under the minister's chairmanship to examine the whole area of the operations of multinational corporations so that the government's policy in this regard can be clearly delineated, if not understood?

Hon. Herb Gray (Minister of National Revenue): I am not in a position at this time to give the hon. member the information he is seeking.

* * *

[*Translation*]

SOCIAL SECURITY

DIFFERENCE OF OPINION BETWEEN
OTTAWA AND QUEBEC

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a question to the Prime Minister.

Following the refusal of Quebec to take part in other discussions on social security because its ideas are diametrically at variance with those of the federal government, could the Prime Minister tell the House whether Ottawa intends to disregard the Quebec claims and to thrust its views, especially on the guaranteed income program and on the whole social security program?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not understand why the hon. member refers to a refusal to discuss or to a dead-lock. On the contrary, this matter will be discussed at the federal-provincial conference next week.

* * *

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT—IMMEDIATE AMENDMENT OF UNEMPLOYMENT INSURANCE ACT IN VIEW OF INCREASE IN FUND—INCREASE IN FEDERAL SHARE OF WELFARE COSTS

Mr. John Lundrigan (Gander-Twillingate): I have a question for the Prime Minister. Is it the position of the government that the problems of unemployment and the unemployed are being met this winter by the existence of the unemployment insurance program, as was suggested by the right hon. gentleman outside the House yesterday?

Right Hon. P. E. Trudeau (Prime Minister): The answer is no, Mr. Speaker, and the suggestion is not one that I made.

Mr. Lundrigan: Perhaps the Prime Minister would like to clear up the statement he made outside the House yesterday because it certainly communicated exactly that impression to all Canadians.

Some hon. Members: Order!

Mr. Lundrigan: In view of the positive need for amendment of the unemployment insurance regulations, will the Prime Minister give consideration to bringing in immediate amendments in order to help the many thousands of people who are unemployed and fail to qualify for assistance because their benefits are exhausted or because they do not qualify under the present regulations? I ask this question particularly in view of the fact that the unemployment insurance fund has jumped to a figure of almost half a billion dollars.

Mr. Speaker: Order. It seems to me that this question has been asked a number of times in the past few days, but I recognize that the matter is one of importance and interest to all hon. members on both sides of the House. Perhaps the Prime Minister or someone else on behalf of the government might be allowed to reply.

Mr. David Orlikow (Winnipeg North): A supplementary question, Mr. Speaker.

Mr. Lundrigan: Mr. Speaker—

Mr. Speaker: Order, please. The hon. member for Winnipeg North has a supplementary so perhaps both supplementaries might be answered at the same time.

Mr. Orlikow: Mr. Speaker, I have a supplementary question for the Prime Minister. Since most large cities in Canada are showing an increase in welfare costs of 30 per cent or more this year over last year, which is an intolerable burden for the cities, is the government giving consideration to providing special assistance to the cities and provinces to meet these greatly increased costs?

Mr. Trudeau: Mr. Speaker, as the hon. member knows, any increase in municipal or provincial expenditures also means an increase in expenditure for the federal government since we match their expenditure to the extent of 50 per cent.

Mr. Lundrigan: Mr. Speaker, may I repeat my question to the Prime Minister. As there are many thousands of Canadians who fail to qualify for unemployment insurance benefits under the existing regulations or who have exhausted their benefits, will the government give consideration to bringing forward immediately amendments to the Unemployment Insurance Act to enable these people to qualify and take advantage of the almost half a billion dollars now in the unemployment insurance fund?

Mr. Trudeau: Mr. Speaker, the whole question of unemployment insurance has been before the House in the form of a white paper and I am surprised that the hon. member has not made suggestions at the right place. As far as the government is concerned, we will be introducing legislation shortly on this matter.

Mr. Lundrigan: In view of the fact that the answer to that question is no, could I ask the right hon. gentleman whether it is the policy of the government that people who are desirous of work but unable to find employment should resort to welfare or the dole?

Mr. Speaker: Order, please. The hon. member will recognize that this question is hardly in order. I do not think that in its present form it is acceptable.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question for the Prime Minister. In view of the fact that the unemployment insurance fund, I understand, in September amounted to some $450 million, has steadily increased, has now reached the figure of $470 million and is still increasing, can the Prime Minister advise what plans he has to enable those who are unemployed to obtain some benefit from this money which seems to be out of their reach at this particular time as a result of the government's attitude?

Mr. Trudeau: Mr. Speaker, the use of this fund will be dealt with when we introduce the legislation to revise the unemployment insurance scheme.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I ask the Prime Minister what these people who cannot get work or unemployment insurance are expected to do in the meantime?

Mr. Alexander: Mr. Speaker, with all due respect to the Prime Minister and the Leader of the Opposition I

would ask that the Prime Minister now answer the question posed by the Leader of the Opposition.

Mr. Speaker: The hon. member for Regina-Lake Centre.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I appreciate the answer given by the Prime Minister in regard to the federal government sharing the costs, and he was correct in what he said, but may I ask the right hon. gentleman whether the government is giving any consideration to increasing the percentage of its share of the costs to 60 per cent or two-thirds rather than one-half?

Mr. Trudeau: No, Mr. Speaker.

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EXTERNAL AFFAIRS

REPORTED ESCALATION OF MILITARY ACTIVITY ACROSS FRONTIERS OF LAOS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister in respect of distressing reports of escalating military activity across the frontiers of Laos. Can he advise whether the government has any information in respect of these widespread reports that might be of interest to the people and the House?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did not understand where the increasing military activity was.

Mr. Macquarrie: The reports indicate it is across the frontiers of Laos in Indo-China, Mr. Speaker.

An hon. Member: Were you not aware of it?

Mr. Trudeau: I am not aware of it, Mr. Speaker, but I will refer the question to the Secretary of State for External Affairs.

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FEDERAL-PROVINCIAL CONFERENCE

FINANCIAL ASSISTANCE TO PROVINCES AND CITIES BECAUSE OF UNEMPLOYMENT—INCLUSION ON AGENDA

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the Prime Minister a question similar to one I asked yesterday. When he meets with the premiers will there be discussion of financial assistance to the provinces and cities because of increasing unemployment in the larger urban centres of Canada, particularly in light of the fact that the Minister of Justice said in Winnipeg yesterday this subject was on the agenda?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if it is on the agenda it obviously will be discussed.

[Mr. Alexander.]

Some hon. Members: Oh, oh!

Mr. Woolliams: Mr. Speaker, perhaps the Prime Minister's attitude in regard to unemployment in Canada is the same as his attitude toward Members of Parliament.

Some hon. Members: Hear, hear!

Mr. Woolliams: Mr. Speaker, I should like to ask him whether he has had time since his return, after being away for a few weeks, to determine whether the subject of unemployment is on the agenda?

Mr. Trudeau: Mr. Speaker, I have communicated with the provinces and submitted to them a final agenda. Until they agree to it, it is not customary to make the agenda public.

Mr. Woolliams: In view of the fact that the Prime Minister said yesterday it was not on the agenda, although during an intellectual spasm at that time said he thought the problem was serious, will it be on the agenda?

* * *

NATIONAL DEFENCE

NORAD AND PROTECTION OF CANADIAN SOVEREIGNTY

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is directed to the Minister of National Defence. In view of a statement attributed to him, can he say that NORAD is now regarded as a very effective means of protecting Canadian sovereignty against United States incursions?

Mr. Speaker: Order, please. Perhaps the hon. member might find some other way to ask the question. I would think it sounds very much like an academic question, and in those terms it should not be asked at this time.

INQUIRY RESPECTING CONTINUANCE OF MILITARY COLLEGES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is also for the Minister of National Defence. In light of the very favourable role that military colleges play in connection with our armed forces, can he now indicate to the House and the people of Canada, particularly those in the armed forces, what his reaction is to the suggestion contained in the youth report to the Secretary of State regarding the closing down of military colleges in Canada?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, I cannot really respond to speculation as to what may or may not be in the report.

Mr. Forrestall: I apologize, Mr. Speaker, as I did not intend to arouse the ire of the minister. Can he indicate whether any consideration is being given by his department or the government to closing down our military colleges?

Mr. Macdonald (Rosedale): Not at the moment, Mr. Speaker.

OPPORTUNITY FOR PROMOTION OF ENGLISH-SPEAKING MEMBERS OF ARMED FORCES WHO FAIL TO PASS SECOND LANGUAGE TEST

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I should like to ask the Minister of National Defence whether any English-speaking members of the Canadian forces will be denied the opportunity to qualify for promotion if they fail to achieve a certain minimum score on a language aptitude test, notwithstanding that in all other respects they now qualify for promotion?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, I would have to make a further examination, but my impression would be that there would be no difficulty in this regard.

Mr. McIntosh: Will any English-speaking members of the Canadian armed forces be denied the opportunity to qualify for promotion if they fail to admit willingness to serve in a Francophone environment, notwithstanding the fact that in all other respects they now qualify for promotion?

Mr. Macdonald (Rosedale): Again I would think not, Mr. Speaker, but if the hon. member has a specific question in mind I would be glad to hear it and obtain the exact facts.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, in the course of his investigations will the minister determine the source of the policy behind the directive sent to certain regiments in western Canada in respect of ineligibility for promotion if members fail to acquiesce or indicate their willingness to serve at Valcartier in a bilingual capacity?

Mr. Macdonald (Rosedale): Mr. Speaker, I would be quite happy to do so. The hon. member seems to have some particular information and I would be glad to have his assistance in pursuing this inquiry.

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INDIAN AFFAIRS

NOVA SCOTIA—CONSTRUCTION OF HOUSES ON RESERVES TO PROVIDE EMPLOYMENT

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In light of the statement by Mr. Noël Doucette, President of the Union of Nova Scotia Indians, that 90 per cent of the Indians are unemployed, would the minister bring forward any potential projects planned for the reserves, with particular reference to the construction of new houses which I realize the minister knows are urgently required?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have already advised the House that I asked the officials of my department to implement immediately the housing programs on all reserves and I shall inquire to see whether there is a special problem in Nova Scotia.

I take this opportunity, Mr. Speaker, to answer the hon. member for Churchill and advise him that, on the contrary, there has not been—

[*English*]

Mr. Speaker: Order, please. Perhaps I first might inquire whether there is a supplementary to the question asked originally by the hon. member for Cape Breton-The Sydneys.

Mr. Muir: Yes, Mr. Speaker, I have a supplementary. Would the minister be good enough to report back when he gets his findings?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I shall be glad to report to the House.

Now I would like to answer the question I was asked previously—

Some hon. Members: Order.

Mr. Speaker: It was my intention to recognize the hon. minister for that reason.

The Minister of Indian Affairs and Northern Development.

CUTBACK IN HOUSING CONSTRUCTION ON CLANDEBOYE AND FISHER RIVER RESERVES

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, the other day the hon. member for Churchill asked me if there had been budget cuts about the housing program in some reserves of northern Manitoba. I am now pleased to inform him that, on the contrary, there has been a $100,000 increase in the 1971-72 budget.

[*English*]

Mr. Robert Simpson (Churchill): I have a supplementary question, Mr. Speaker. Is the minister not aware of the fact that the chiefs in the Fisher River-Clandeboye districts have been advised quite recently there will be a cutback in the housing program in these areas?

[*Translation*]

Mr. Chrétien: I would be most surprised if they had been advised, Mr. Speaker, because there has been an increase in the amounts of money granted. However, hon. members will realize that the costs of construction may have increased a little, which means that we may not build more houses but there will be more money available this year.

Inquiries of the Ministry

[*English*]

COMBINES

INQUIRY AS TO INVESTIGATION OF APPARENT COLLUSION OF AUTOMOBILE INSURANCE COMPANIES REGARDING RATES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs. Can he indicate to the House whether he or officials of the Combines Investigation Branch are presently investigating the apparent collusion of automobile insurance companies in raising their rates across Canada substantially and in Manitoba by some 30 per cent?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, if there is collusion, as I have made clear in the House before it can be taken that the Director of Investigation and Research of the Combines Investigation Branch will enforce the Combines Investigation Act as it is now written.

Mr. Orlikow: Mr. Speaker, can the minister say when he will be introducing the revised combines legislation and whether service industries such as insurance will be subject to the provisions of the Act?

Mr. Basford: Mr. Speaker, we are working on the revision now, as the House knows, and I would hope to introduce the bill as soon as it is drafted. It would be improper, of course, for me to say now what the provisions of that legislation will be. They will be made known when the legislation is read the first time.

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EXTERNAL AFFAIRS

UGANDA—INQUIRY AS TO GRANTING OF DIPLOMATIC RECOGNITION TO NEW REGIME

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I have a question for the Prime Minister. Can he inform the House whether Canada has taken or is taking steps toward recognition of the new government of Uganda?

Right Hon. P. E. Trudeau (Prime Minister): No, I cannot inform the House, but I am sure the Secretary of State for External Affairs will be happy to answer when he is in the House.

Mr. Thompson: Mr. Speaker, may I ask whether the Prime Minister has had any communication with Mr. Obote since leaving Singapore?

Mr. Trudeau: No, Mr. Speaker; there has been no communication with Mr. Obote since I left Singapore.

[Mr. Chrétien.]

INDIAN AFFAIRS

LENNOX ISLAND RESERVE—SAFE MEANS OF TRAVELLING TO MAINLAND

Mr. David MacDonald (Egmont): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development in an attempt to clear up a misunderstanding. About a week and a half ago the minister informed me no decision had been taken in respect of the establishment of a solid link with the Lennox Island Indian Reserve. It is my understanding that the people of the Lennox Island Indian Reserve were informed that such a decision would in fact be taken and that construction would start this spring. Can the minister clear up this confusion now? If not, would he be prepared to make a statement on motions in the near future?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I shall inquire, Mr. Speaker, and answer the hon. member tomorrow.

* * *

[*English*]

NATIONAL REVENUE

COMPLEXITY OF TAX RETURNS REQUIRED OF OLD AGE PENSIONERS

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to ask the Minister of National Revenue whether he is aware that old age pensioners 70 and over, many of whom suffer from chronic illness, are being asked for the first time by officials of the government to fill out what to them are very complex tax returns? Will the minister explain why this harassing action is being taken against these people?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, it is not the purpose of the department to harass old age pensioners or Canadians generally. If the hon. member would care to give me particulars of the cases in question, I would be glad to have them looked into.

* * *

CONSUMER AFFAIRS

INQUIRY AS TO INVESTIGATION OF CAR REPAIR INDUSTRY

Mr. Barry Mather (Surrey): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs. It is somewhat related to one asked a few moments ago by the hon. member for Winnipeg North. Can the minister say whether his department is

investigating, plans to investigate, or is in consultation with the provinces in respect of the complaints about the high cost and low quality of car repairs in Canada?

Hon. Ron. Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, we have examined a number of aspects of that situation and I know a number of provinces have also done so. I am not aware, however, of any communication from any province with regard to this matter.

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LABOUR CONDITIONS

PROPOSED LAY-OFF OF EMPLOYEES OF CANADIAN ARSENALS, MISSISSAUGA—REQUEST FOR POSTPONEMENT OF CLOSING OF PLANT

Mr. Walter Deakon (High Park): Mr. Speaker, on January 18 last I asked a question of the Minister of Supply and Services through the Acting Prime Minister. It is reported in *Hansard* at pages 2487 and 2488. The question referred to the problem of the lay-off of employees of the Canadian Arsenals plant at Mississauga. Is the minister in a position to answer that question?

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, I can confirm that the government is considering the sale of the Canadian Arsenals plant at Long Branch. I believe the hon. member's chief concern, as revealed in his question, is the position of employees in the event of a sale. I can tell him I have been advised by officials of Canadian Arsenals that every consideration will be given to the interests of the employees in the event of a sale. I might say further that if a sale is made it will be to a commercial user who will, of course, have use for the plant's facilities, and therefore I would expect that a sale would lead not to a decrease, but to an increase in the employment opportunities in the area.

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AGRICULTURE

TREE FRUIT INDUSTRY—MEASURES TO ARREST VIRUS INFECTION

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. The minister was good enough to indicate that he would look into whether or not a plant pathologist could be obtained to deal specifically with diseases of tree fruits and in greenhouses in Ontario. Can he give us any information in this regard?

Hon. H. A. Olson (Minister of Agriculture): Only to reaffirm to the hon. member that we are attempting to obtain a suitable person to carry on that work. I will communicate the detail to him privately.

Inquiries of the Ministry

NATIONAL DEFENCE

SECURING OF TANKS STORED IN GERMANY AS REPLACEMENTS

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I should like to direct a question to the Minister of National Defence. As it now has been discovered that there are some 5,000 battle tanks mothballed principally in Germany, is any effort being made by the Canadian government to secure some of these tanks to replace those presently being used by our forces in Europe, which the minister said will soon be worn out?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, prior to any such effort we would have to decide whether we intend to continue to perform that role in Europe or perform one that is more consistent with the force structure in Canada.

* * *

[*Translation*]

NATIONAL SECURITY

WAR MEASURES ACT—IDENTITY OF PERSONS COMPENSATED BY QUEBEC

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to address a question to the Solicitor General.

Has he been informed by the Quebec Minister of Justice of the identity of the people who have received compensation following the enforcement of the War Measures Act and of the nature of such compensation?

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am not at all aware of the facts, but I will be pleased to ask the Quebec Minister of Justice for information which I will pass on to the hon. member.

Mr. Asselin: I wish to ask a supplementary question, Mr. Speaker.

In line with his answer, could the minister inquire as he indicated and table the requested information in the House?

Mr. Goyer: Mr. Speaker, the hon. member will be informed in the most convenient way.

* * *

[*English*]

PUBLIC SERVICE

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY GRADUATES—COMMISSION MEMORANDUM

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I would like to direct a question to the Prime Minister arising out of the memorandum entitled "Special Recruitment of Francophones in the Public Service" which the President of the Treasury Board tabled in the House, saying that it was issued without his knowledge or consent. Since this memorandum seems to

violate the whole merit principle of the Public Service Employment Act, I want to ask the Prime Minister whether he knew about this memorandum and whether it was issued with his authority?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there is no agreement on my part that it violates in any way the merit principle. On the contrary, as the President of the Treasury Board said in his statement to the press, it is the intention of the government to seek to hire something like 1,250 university graduates in the Public Service next year. That 250 of them should be Francophone does not seem to indicate that there would be any violation of the merit system. It seems to me rather lower than the proportion that the B and B Commission tends to recommend as Francophone members of the Public Service.

Mr. Simpson: What about bilingualism?

Mr. Trudeau: What have you got to say?

Mr. Simpson: What about bilingualism?

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Trudeau: Mr. Speaker, I had not finished the answer. The question asked was whether I had knowledge of the memorandum. The answer is no, Mr. Speaker.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since the question of bilingualism in the Public Service is not the question at issue but rather the matter of authorizing the expenditure of money and taking steps to bring people into the Public Service through the back door rather than through the front door, I want to ask the Prime Minister if he knows who did authorize the issuance of this memorandum and, if he does not, would he undertake to find out?

Mr. Trudeau: Mr. Speaker, the memorandum was issued pursuant to a decision of cabinet last November.

Some hon. Members: Oh, oh!

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker—

Mr. Speaker: Order, please. I apologize to the Leader of the Opposition but the hon. member for Cape Breton-East Richmond seeks the floor on a question of privilege.

Mr. MacInnis: I rise on a question of privilege. It is based on the answer just given that this memorandum was put out by direction or decision of the cabinet. In that case, it is time this House called on quite a few members of the government to resign because they told the House otherwise.

Some hon. Members: Hear, hear!

Mr. Stanfield: Mr. Speaker, I would like to address a supplementary question to the Prime Minister arising out of his answer that it was intended to hire 1,250 persons in a particular category, of whom 250 would be Francophones. Am I to conclude from this that the other 1,000 positions may be filled only by Anglophones?

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

Mr. Trudeau: No, Mr. Speaker.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Woolliams: Mr. Speaker—

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Nanaimo-Cowichan-The Islands. I will come to the hon. member for Calgary North in just a moment.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I would like the Prime Minister to clarify his answer. The President of the Treasury Board and the Acting Prime Minister both said they had no knowledge of this memorandum. The Prime Minister now says this step was taken as a result of a decision by cabinet last November. If the cabinet authorized this memorandum, may I ask the Prime Minister how it is that ministers in his cabinet did not know anything about it?

Mr. Trudeau: Mr. Speaker, it is because the memorandum itself was not seen or authorized by the cabinet.

Mr. MacInnis: Make up your mind.

Mr. Trudeau: My mind is made up.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, when the President of the Treasury Board said, and I am paraphrasing him, that this was not approved by cabinet, at that time so far as his conscience was concerned was he telling the truth in the House of Commons as a member of the cabinet?

Hon. C. M. Drury (President of the Treasury Board): The answer, Mr. Speaker, is quite simply yes. I was telling the truth. If the hon. gentleman will refer to *Hansard*, page 2753, he will find I made reference to a lack of comprehension, which apparently still persists.

Some hon. Members: Where?

Mr. Drury: I said:

> It is well known that the government has expressed its intention and desire to increase the proportion of Francophones in the Public Service. To this end it is willing and has declared its willingness to devote additional resources toward the accomplishment of this purpose if satisfactory means are proposed to achieve this. The process we are looking at here—
>
> That is this celebrated memorandum.
>
> —is part of an exploration of possible means of achieving this purpose.

I repeat again that it is the declared intention of the government to raise the proportion of Francophones in the Public Service. The government has declared its intention to devote additional resources to this end, up to $2 million if need be, if a feasible method of accomplishing this purpose can be found. The memorandum to which the hon. gentleman from Nanaimo-Cowichan-The Islands refers is the beginning of the process of finding an

acceptable means of increasing this proportion, which would cost about $2 million.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, if I understand the minister's statement correctly, the cabinet approved the hiring of additional Francophones but this memorandum was sent out without the cabinet's knowledge. This document, which violates the merit principle in the Public Service Employment Act, was sent out without the Prime Minister's consent. May I now ask him whether the government intends to take any action with reference to this violation contained in the memorandum which was sent out without the consent of any minister, including the Prime Minister?

Mr. Drury: Mr. Speaker, I am not quite sure what the imagined offence is. I have tried to explain. We are looking at a part of the process of endeavouring to find a feasible plan to give effect to the government's intention. It is inevitable that in this process all courses of action will be explored, some of which will be good and some of which will be bad. The bad ones I hope we will not accept; the good ones I hope we will. I look forward to the not too distant future when we will have a good and feasible plan which will be consonant both with the merit principle and the expressed intention of the government to increase the proportion of Francophones in the Public Service.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the minister's statement that the government is seeking for a plan, may I ask him if he has read the second last paragraph in the memorandum which says that to "help speed up the implementation of the program, it is proposed to hold a preliminary meeting" on such and such a date? Is this not a program already, a program on which a telephone survey had already been conducted, and a plan which had been put into effect by the Public Service Commission without the knowledge of the government?

Mr. Drury: Mr. Speaker, I am somewhat surprised that a man who has headed a government, albeit in another place, should be so unaware of the processes of government. I have explained to him that until such time as a so-called program receives the formal approval of the Treasury Board it is not a program, and this proposal which is being canvassed and explored had not been submitted to and consequently had not received the approval of the Treasury Board.

Mr. Stanfield: Mr. Speaker, I seek some clarification from the Prime Minister. When he said a few moments ago that the intention was to employ 250 Francophone Canadians out of a total of 1,250, did he imply or mean to imply or to suggest that the other 1,000 would be Anglophones? May I ask him in all sincerity to explain what he meant in order to prevent further misunderstanding?

Mr. Trudeau: Quite simply, Mr. Speaker, it was foreseen that the government would need about 1,250 university graduates in the coming year. According to the way these processes have operated in the past, everyone knows that of the requirements of the government the overwhelming majority of them have been Anglophone rather than Francophone. It was in order to try to redress this imbalance, which has perhaps been the result of lack of policies in the past, that the government wanted to ensure that there would be at least a minimum of 250 who would be Francophones. If there can be more, well and good, but obviously, because of the way the administration has operated in the past, they did not come automatically. We never had the proper percentage. In order to permit the government to implement effectively its policies of bilingualism, we must spend a little more to make sure that we have at least this minimum of one-quarter which, as the hon. member knows, does not even correspond to the percentage of Francophone people in the country.

Some hon. Members: Hear, hear!

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Prime Minister which, if answered, will I think allay some of the confusion and misunderstanding relating to the government's policies in the development of Canada. With respect to its attitudes and its policies, is the government basing these matters on the fact that Canada is a bicultural country or a multicultural country?

Mr. Trudeau: Mr. Speaker, it is a multicultural country but a bilingual one.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The question period expired a few moments ago, but perhaps we might recognize the hon. member for Winnipeg North Centre for one more supplementary.

Mr. Trudeau: Mr. Speaker, may I add to my answer?

Mr. Speaker: Order, please. Perhaps the Prime Minister could add to his reply when replying to the hon. member's supplementary question.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I have a very simple and direct question which I think will clarify what has taken place this afternoon.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): Which is it, a feasibility study not yet approved by Treasury Board, as described by the President of the Treasury Board, or a firm project approved by cabinet last November? Which is it?

Mr. Trudeau: Mr. Speaker, last November the cabinet authorized the expenditure of an additional $2 million if a feasible plan could be found. In order to find such a feasible plan—

Some hon. Members: Oh, oh!

Mr. Trudeau: Is the House interested in the answer or not, or are members trying to make political yards? That seems to me a rather narrow approach to the question.

Some hon. Members: Hear, hear!

An hon. Member: One could never accuse the Prime Minister of that.

Mr. Trudeau: As a result, the cabinet took this decision. That decision was communicated to the Public Service Commission and the Public Service Commission went about trying to devise a plan which would produce the results sought.

To add to my previous answer, I said that this is a bilingual country, but the specification was Francophone and they might be of any racial origin.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. The President of the Treasury Board on January 26 said: "It will not be a program approved by the government until it has been submitted to the Treasury Board and approved." Now the Prime Minister says that it was approved in November.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Some people have been asleep at the switch.

Mr. Woolliams: Go on; let us have another answer like that.

Mr. Speaker: Order, please. This is hardly a question of privilege. It is a point of discussion. There will be other opportunities to discuss this matter. There will be another question period tomorrow, and I suggest to hon. members that the matter might be pursued then.

Mr. Bell: No doubt it will be aired on television.

Mr. Speaker: Orders of the day.

Mr. MacInnis: Mr. Speaker, I rise on the same question of privilege. I ask the Prime Minister to explain why he said that this matter was decided in cabinet in November when only last week we were informed that the government, after trying to find who was responsible for the memorandum, had not been able to do so. I therefore suggest that this nonsense about a November cabinet decision is just that, nonsense.

Mr. Speaker: Order, please. That is hardly a question of privilege. It is further questioning. As I said, there will be another question period tomorrow and hon. members may then be given an opportunity to pursue the matter if they are not satisfied with the information they have received. Orders of the day.

• (3:00 p.m.)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Monday, February 1, consideration of the motion of Mr. Drury (for the Prime Minister) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to the committee of the whole.

[Mr. Trudeau.]

Mr. Frank Howard (Skeena): Mr. Speaker, just before the debate ended yesterday, I had mentioned—

Mr. Speaker: Order, please. I wonder if hon. members would allow the hon. member who has the floor a chance to make his remarks. Perhaps the conversations going on might be pursued outside the House or behind the curtains. They are somewhat embarrassing for hon. members who want to listen to the hon. member and, as well, for the hon. member who is trying to make a speech.

Mr. Howard (Skeena): Mr. Speaker, members who rise immediately after the question period run into this sort of situation almost every day. Last evening, when concluding my remarks, I mentioned that the question of the control of our environment ought to transcend any sensitivity about the constitution, about what might be said at the meetings of premiers and the like. What is involved here, quite apart from the environment, is life itself. Every day we become aware of new substances polluting our environment. Every day we learn of additional chemicals and poisons.

The notable case brought to our attention in the last few days is the discovery of a higher than tolerable level of mercury in swordfish. Many of these swordfish live in midocean. Earlier on the west coast, we discovered that catches of dogfish, destined for Europe, contained a higher than tolerable level of mercury. The fish were condemned. There are many other species of fish which feed on the bottom of the ocean. They could, likewise, contain levels of mercury or pesticides which, if consumed by humans, would be injurious. Such chemicals are so injurious to the fish life in the oceans. It is true that, politically, Canada cannot exercise jurisdiction beyond its boundaries anad beyond its territorial seas. It is true that, if we take some action, we may be able to influence indirectly other countries about controlling the environment within their jurisdictions. Certainly, Canada ought to pursue the course it has pursued in some instances.

For instance, to indicate our concern we passed a bill to permit us to exercise some control over the environment in the Arctic. In that case, the government did not hesitate to bring forward legislation extending our sea boundaries 100 nautical miles out from our land. Indeed, we were concerned about international law and international concepts of law, but we said that our decision could not be challenged in international courts. Surely, even if it may not be practical or even desirable to extend our jurisdiction for such purposes out into the ocean, to the extent that we can exercise such jurisdiction we should take definitive measures to protect life and to protect ourselves.

The ocean produces 70 per cent of the oxygen which we breathe. Scientific studies have shown that because of pesticides, other chemicals, tons of junk and billions of gallons of other materials being poured into our oceans,

which are considered inexhaustible cesspools, the process of producing oxygen is being destroyed. The very minute organisms in the oceans that produce 70 per cent of our oxygen are being killed by pollutants being dumped daily into the oceans. Who knows how long it will be before these organisms are all destroyed?

We are participating in a world-wide program of destroying the production of oxygen. It will not be too much longer before there is no oxygen left, and that will mean the end of all forms of life. Possibly we cannot do a great deal in view of our position and the relative amount of pollutants we pour into the oceans. However, we can do something. We must do something concrete and forceful about this situation in order to convince other members of the United Nations to adopt the same course.

Studies have shown that DDT and similar pesticides have almost an interminable life. Photoplankton in the ocean are the basis for protein-producing organisms that capture sunlight. Through a process of photosynthesis, they produce protein for the animal life in the ocean. These are being destroyed by the billions of gallons of chemicals and effluent being poured into our waterways by municipalities and industry which eventually reach the oceans.

Another matter that should be of concern to the government is air pollution. All the government has done to date is to make a simple declaration in the bill presently before us. There is no point repeating the fact that in the United States automobiles produce 60 per cent of the air pollution. When the emission from automobiles is combined with rocket fuels, insecticides and smoke from industrial plants and incinerators, oxygen is destroyed. This affects human life, and in particular, can cause impairment of the mother's foetus.

The government does not recognize the serious situation with regard to sulphur dioxide, carbon monoxide and ash in our air. I do not know what the constitutional position is with regard to control over the air. The government should not introduce a verbal declaration of its concern without indicating what it intends to do about air pollution. If the government follows the same course with regard to air pollution as it did with regard to water pollution under the Canada Water Act, that will not be good enough. It will simply mean another set of standards relating to air that will only come into effect if there is agreement with the provinces. The verbal concern expressed by statute or regulatory form will be meaningless unless agreement is reached with those areas that have the constitutional jurisdiction to deal with these matters.

A conference will be held between the Prime Minister (Mr. Trudeau) and the provinces. This will provide an opportunity for the government to take immediate action. Differences of opinion about the constitution should be brushed aside and the provinces should agree to give the federal government authority to deal with environmental matters. Because the problem is national in scope, there should be a national approach rather than a piecemeal approach by the provinces.

Another area of conflict about which the government does not seem to be seriously concerned is the matter of population. Scientists and biologists have predicted the world population for 1975, 1980 and the year 2000. As a companion measure to the control of the environment and ceasing to pollute our air, land, water, foodstuffs and the like, there must be a world-wide program to limit population growth. If our population doubles by the year 2000, our pollution problems will also double. There is also the problem of the multiplication factor which presently exists with regard to pollution.

Although the government states that it is concerned about the environment, the Department of National Health and Welfare is not concerned about birth control, family planning, and a zero population increase. The department has not recognized this as a matter of tremendous concern. Increased population will contribute to a possible elimination of life within the next two, three or four generations. Even a government that does not care about unemployment should be shaken out of its lethargy on this matter. The government should do more than present a well drafted bill in the hope that the publicity and propaganda machine will lead Canadians to believe that something is really being done.

The Minister of Fisheries and Forestry (Mr. Davis) is very presentable. He is adept at making statements when interviewed over television. One of his pet phrases with regard to pollution is that industry must keep its pollutants within the plant gate. Industry must recycle the water which it uses. The pulp and paper industry cannot be permitted to dump effluents into any body of water. It must have a closed circuit water system. The only water lost as a result of industrial production should be by absorption or evaporation. Neither the minister nor the government have taken any steps to require any industry in Canada to meet these requirements. It is just a declaration and a bit of propaganda. How can anyone believe a government which says it intends to do something and then does not do it? How can we believe anything which the government says about the environment?

Although the department of fisheries has full authority and jurisdiction, there has been no concrete activity to prevent pollution of our environment. It is the only federal department which has full authority. It is true that the department has taken some action which has resulted in pulpmill companies appearing before the courts. A pulp company in my constituency was fined $3,000 for having contravened the Fisheries Act, but that did not stop the pollution. It is true that the company is preparing a plan to present to the department of fisheries. However, that plan does not include a provision to contain their water system within the plant gates, use the same water over again and reclaim the chemicals in it. There is no requirement of that sort. All the $3,000 fine, or whatever it is, amounts to, is a licence to continue to pollute the waters outside the plant. And this case can be duplicated thousands of times across Canada.

• (3:10 p.m.)

Much as I hope that somebody in this government will recognize the need to take concrete action to preserve our

environment, and much as I consider this to be probably the most valuable thing with which we can concern ourselves at this time, I am afraid the bill before us does nothing but provide a bit of window dressing; it looks to me as though government policy on pollution control has got into the hands of the speech writers and not into the hands of the cabinet itself.

We are being asked by this legislation to approve the enlargement of the cabinet. We know that this Parliament does not operate in accordance with the rules of democracy. It has not done so for many years. It operates more under the rules of a dictatorship. When decisions are made in Parliament they are made, as everybody here knows, on the basis of party alone. All the Liberals vote one way, and that is that. The concept of democracy, of a person casting a ballot in Parliament according to the dictates of his conscience, just does not fit. It has no place in the system. If the Liberal party does make decisions they are certainly not made in parliament; they are made in back rooms, in secret, in some confidential place where the public cannot see what is happening. This is bad enough in terms of our democratic structure. It is bad enough that no freedom is permitted to the great bulk of the members of this House because they happen to belong to the government party. It is bad enough that the interests of the constituents who elected them to Parliament are not fully represented. It is bad enough that the rules of Parliament are such that power is concentrated in the hands of the cabinet.

I know the Parliamentary Secretary to the Minister of Labour (Mr. Perrault) has a very long interest in this matter because he used to say precisely the same things as I am saying now when he was a free member in the legislature in Victoria dealing with Premier Bennett.

Mr. Perrault: You read my speeches, did you? Perhaps you learnt something.

Mr. Howard (Skeena): No. I was not able to do that because there is no Hansard in the legislature in Victoria.

Mr. Douglas (Nanaimo-Cowichan-The Islands): He did not know that.

Mr. Howard (Skeena): What I have been saying may be unpalatable, but it is a fact of life. The general public does not always realize this. They think there is a tremendous amount of freedom in Parliament. They do not know that Parliament operates under the authority of one person, the Prime Minister (Mr. Trudeau). That is the case not only with the present Prime Minister but with all of his predecessors I have known. In effect, it is one man rule, except when it completely disintegrates as it did prior to 1962, but that was a unique situation peculiar to the construction of the cabinet at that time. Basically, a political party under the authority of whoever happens to be prime minister, controls Parliament. Parliament does not influence the government. I know that people in the country get rather fed up with the situation. Why is it, they ask, that all we do in Parliament is debate.

For example with regard to the serious unemployment situation which exists at the present time, they ask: why is it that all you do is ask for emergency debates, and then debate the subject? The simple answer is that this is the only course available to an opposition. There is no authority in the rules which permits a member of the opposition to move a motion giving any direction to the government unless by unanimous consent, and it only takes one person to disagree—usually the Prime Minister—to prevent any such motion being put. This is the structure which has been built up over the years to consolidate authority in the hands of one person and give him a dictatorial position. It is bad enough when there is someone in office as prime minister who is incompetent and inept. But when you have a person in office who is an authoritarian, who has a dictatorship concept as to the way in which things should be run, who is rigid in his make-up—as he has said himself in his writings—the matter becomes much more serious.

What the bill before us seeks to do, as others have pointed out, is to give further authority to the Prime Minister which will prevent Parliament from operating even in the limited way in which it is operated at present, and further remove from Parliament one of its opportunities to influence government activities and purposes. Not only does the Prime Minister desire this additional authority, as though he did not possess power enough already; not only does he wish to add to the dictatorial status of his office, but he seeks even further power to control other people should there happen to be one or two in the Liberal party who might wish to show an independent spirit, to depart from the structure or to contend against the government.

The number of cabinet ministers now permitted under the Salaries Act, excluding the leader of the government in the Senate, is 25. The bill before us seeks to establish, in addition, five ministers of stage, making a total of 30. It also seeks to establish posts for a number of parliamentary secretaries, but not more than the number of ministers who are in the cabinet. I assume that these, together with the 25 under the Salaries Act and the five ministers of state, would make a total of 60 posts within the government structure to which a salary is attached. This arrangement permits the Prime Minister to say to another 60: If you do not behave yourselves you will never get into this inner circle. So, he has already got 120 members of the Liberal party tied up with the prospect that if they do not behave according to his satisfaction they cannot expect to remain in, or enter, this inner circle. What little independence may have beat within their breasts would be subdued by the prospect that they would never be appointed a parliamentary secretary or cabinet minister.

In addition, there are the posts of Whip and Deputy Whip which are power posts—two more people the Prime Minister can control. There is the deputy to yourself, Mr. Speaker, and there are the chairmen of the committees, 25, more or less, depending upon the number of special committees, who also occupy positions of power controlled by the Prime Minister. We all know that if the

chairman of a committee operates properly, catches the eye of the Prime Minister and makes sure that the will of the government is done in that committee, he has a chance of being elevated to the ministry. The effect of all this is that the Prime Minister is, in a very real sense, in a position to exercise control over all but two members of the Liberal party. He can either ignore them on the grounds that two people do not matter, or he can hold out the prospect that they may become ministers without portfolio.

• (3:20 p.m.)

Mr. Douglas (Nanaimo-Cowichan-The Islands): Or they could go to the Senate.

Mr. Howard (Skeena): The Senate is a bonus. I did exclude that, but in order to get into the Senate you first have to get into the cabinet and prove your incompetence at that level. Usually it is not a direct step from the Commons into the Senate.

Mr. Rynard: How about judgeships?

Mr. Howard (Skeena): My friend says, what about judges. I think I have made my point in speaking just of those who happen to be in Parliament and the positions that are available within the parliamentary structure.

Mr. Knowles (Winnipeg North Centre): There is nobody left.

Mr. Howard (Skeena): No, there is no one left; no one with an independent mind or an independent thought. The only independent thought from which we might have benefited might have come from the Parliamentary Secretary to the Minister of Labour (Mr. Perrault), but I see he is leaving.

Seriously, Mr. Speaker, the purpose and intent of this bill is not government reorganization, but government organization of the dictatorship concept. There is no idea here that Parliament shall have any degree of supremacy or authority in this nation. There is no concept within the government structure or within the bill itself of Parliament having any influence, authority or control over what the government does. Through a process of consolidation, governmental power is to be retained within the hands of the Prime Minister. The bill will give him whatever additional authority he needs to keep his own boys in line or to pay them off for having remained in line, and this runs absolutely contrary to our concept of democracy. It is true that we go to the polls on election day, a day when we have true democracy. Individual citizens have the right, without anyone peering over their shoulder, to vote in the way they see fit. But this is also where democracy ends under the present parliamentary structure and under the Prime Minister that we have today.

As I have said, there is one feature of the bill that might have some value, the creation of a department of the environment. Even though this appears to be window dressing, there would be a great tendency to vote for the bill in view of this concept alone because it is headed in the right direction. However, the other parts of the bill make the total package completely unacceptable.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I am going to deal first with the general concept of pollution, then with what is taking place under this bill by the government joining the subject of pollution with a variety of other proposals that are unacceptable. It is an obvious endeavour to bring about a vote on the whole bill so that those who vote against the bill will be misinterpreted as voting against action against pollution. As far as I am concerned, Sir, I am not going to be deluded in any way in this regard. This bill is political effrontery. It is designed to deceive the people of Canada and to place members of this House of Commons in a position which, if there were any regard for the House, the government would never have undertaken to do.

I am going to make reference later to some of the hon. gentlemen opposite who now sit in a state of deep concern. I was not here this afternoon during the incident that happened. I am never around when controversial matters are raised, and therefore I missed the scene.

Mr. Francis: Then, you don't know what happened.

Mr. Diefenbaker: The hon. member would have received honourable mention even without his interruption. As I say, I missed what took place this afternoon and I wondered what had happened when I returned and saw the hon. member for Ottawa West (Mr. Francis) dancing a political jig in trying to raise some support from the House Leader for the frightful position in which he now finds himself. He ended up, of all places, in a seat with the Prime Minister (Mr. Trudeau). Let me tell him that, having regard to some of his performances recently, I very much doubt that it will be for very long that he will hold the position of chief whip. Certainly, no one has been placed in a more embarrassing position than he was this afternoon. And I say that with deep concern for him and his welfare, Mr. Speaker.

Last night he had an interview with the press, wherein he stated that he would not be associated with any stand that I took on the Francophone situation. In effect, he said that it did not take place.

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

Mr. Speaker: The hon. member for Ottawa West on a question of privilege.

Mr. Francis: Mr. Speaker, since the right hon. member referred to me, I think he should do me the courtesy of making his reference precise. I very carefully dissociated myself from a general attack on Francophones, which is what I understood the hon. member himself was doing. I made it very clear it was that from which I was dissociating myself.

Mr. Diefenbaker: The hon. member was reported in the press as saying that he did not associate himself with me, and as a result of his interpolation I am reminded of a remark made in the House of Commons by Winston

Churchill. Apparently as a boy his mother denied him the right to enter a side show at a circus which was advertised as having therein a person with a jellyfish backbone. Finally, Churchill said: "All through the intervening years I felt very badly about the way in which my mother interfered with me seeing that boneless wonder and now what do I see today? I see the Prime Minister of my country occupying the position of that individual in the sideshow". As a result of what happened this afternoon the hon. member, who has had a lot of difficulty climbing the greasy pole of the chief whip, finds himself in a disagreeable position to say the least, the discomfiture of which I can only hope will not result in the decomposition of his chief whipship.

He has now apparently had an assurance that he will not be interfered with, because there is a smile on his face which was not there a few minutes ago as he talked with the House Leader of the Liberal party. I see he also had the assistance and advice of the hon. member for Peterborough (Mr. Faulkner). I did not intend to bring him into this but he has propelled himself forward; and having been Deputy Speaker he is able to speak to the hon. member for Ottawa West (Mr. Francis) with authority.

• (3:30 p.m.)

I support the setting up of a ministry of environment. I go further than that and say that the Minister of Fisheries (Mr. Davis) is a minister who has shown a regard for Parliament in that he answers questions concerning his department without evasion. He has a few colleagues who have a similar regard for the House; there is the Minister of Transport (Mr. Jamieson), the Minister of Justice (Mr. Turner), the Minister of Agriculture (Mr. Olson), the Minister of Communications (Mr. Kierans), the Minister of Regional Economic Expansion (Mr. Marchand) and the Minister of Public Works (Mr. Laing), and one or two others. Those ministers understand Parliament, as does the Government Leader of the House. These men are examples from day to day of the manner in which questions should be answered in the House. There are others, who represent the majority, who regard this place as a forum in which they can exercise their histrionic capacities for evasion, and they do so regularly.

I support that part of the bill which has to do with the subject of environmental control, although in point of fact what is revealed in the bill is really meaningless. I cannot bifurcate my vote and will not, under any circumstance, be bamboozled into voting in favour of this bill because I want action taken on pollution thereby giving approval of actions which will pollute Parliament.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: This resolution was in the name of the Prime Minister (Mr. Trudeau) and the bill was introduced by the President of the Treasury Board (Mr. Drury), neither of whom are here now. What are they doing?

An hon. Member: Playing with orang-outangs.

[Mr. Diefenbaker.]

Mr. Diefenbaker: While we cannot hear them, we can very easily imagine.

Mr. Douglas (Nanaimo-Cowichan-The Islands): They are getting their stories straight.

Mr. Diefenbaker: It is a sad picture. This afternoon we witnessed an example of what has been stated over and over again by Her Majesty's Loyal Opposition, the deception of Parliament by members of this government.

Some hon. Members: Shame, shame.

Mr. Diefenbaker: The hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) asked a question this afternoon in connection with the $2 million Francophone expenditure program or plan. We have been asking about that regularly in recent days, trying to find out the origination of this and the circumstances connected therewith. The President of the Treasury Board said he did not know anything about it. As I recall it, although not having reviewed *Hansard* in respect of questions asked during the last week he said that the situation was that such a measure was unknown to him, and, it was apparently unknown to other ministers because they supported him by their applause.

As I recall, the President of the Treasury Board said there was no program or plan and that the ephemeral, non-existent program had not been before Cabinet. Profumo was not required to leave the House of Commons in 1963 because of his extramural activities; he went out because he deceived Parliament. The President of the Treasury Board said he did not know anything about this plan. The Prime Minister today said it was passed by the Cabinet in November. Where was the President of the Treasury Board? I should like him to be present at this time. He is absent and I feel sure he is not receiving the warm reception the orang-outangs got in Borneo.

This situation has to be cleared up. There has been a deception of Parliament. I have watched the members of the Cabinet because I like to look at the beauty and pulchritude that is there. I watched them as he contended that he knew nothing of such a program and one and all of those who were present showed a reaction in support of what was said by the President of the Treasury Board; that is, he knew nothing about it and it had not been before the Cabinet. To what degradation has this Parliament been reduced. Hidden was the order or the declaration. Even their chief party whip was not enlightened and he has been saying ever since the matter came up in the House that all was well as there was no such plan. I should like to hear him make his alibi tomorrow.

An hon. Member: Will you come and listen?

Mr. Diefenbaker: You cannot laugh it off because I heard him say on television, speaking as the chief Whip for the Liberal party, there is nothing to this matter. When a man with that authority behind him speaks, one must understand even the gods must be silent.

The time has come for this matter to be cleared up. We cannot ask for the production of a Cabinet minute. How was the Minute concealed from the other colleagues in the Cabinet? Surely this government has not arrived at the point where the Prime Minister simply says, this is what the cabinet is going to do and that is a Cabinet minute. Where was the $2 million coming from? That was revealed the other day, when it was said that there are always accounts from which it could be procured. What has happened in this instance reveals the dangerous position in which our democracy is in this country. The government can find $2 million and we would never know about it. We would never know about it if it had not been for Peter Riley of CTV who found out about it, and then was ridiculed for having something that was non-existent. Today the Prime Minister has given his prime ministerial blessing to those who made the assertion that there was a Francophone plan. What were they hiding? If it was all above board and proper, why hide it. I say to the government, that is the three ministers and one hopeful who are present—he is now giving advice having recently returned from his safari across the country on the constitutional question—where is this Parliament going? Parliament has been deceived and deluded by this government. Is it any wonder that in 1963 the Prime Minister uttered certain words which I think ought to be placed on *Hansard*. He said that the Liberals were a bunch of idiots.

• (3:40 p.m.)

Some hon. Members: Hear, hear.

An hon. Member: How true.

Mr. Greene: We have learned a lot since then.

Mr. Diefenbaker: The hon. gentleman certainly knows how green his valley is.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: These are the Prime Minister's words. He said that we have to put up with some bums in the Liberal party and, after the election of 1968, he added that some of the bums were beaten in that election. Is there not an opportunity here for self-identification? Under no circumstances should those who qualify for that description ever become ministers of state. Speaking again of various Liberals of that day he said: "All lousy idiots, for crying out loud." He added that among the old guard, there was the same brutal cynicism. How right he is. What happened today in this House of Commons has not been exceeded since 1931 or 1932 when Mr. Mackenzie King walked in the valley of humiliation. Mention was made by the previous speaker of the fact that with all these jobs created under this bill, there will be a high degree of obedience to what the master says. The Prime Minister, as reported in *Cité Libre* of April 1963, referred to the "autocracy of the Liberal structure and the cowardice of its members." What of today? Is there anyone who dares be independent now? The sun will not shine for those who dare to disagree. I have more quotations for the edification of those who desire to hear them but I shall pass on, Sir.

Today is a black Tuesday in parliamentary history. The Prime Minister says this program was passed in November, and the President of the Treasury Board (Mr. Drury) contended last week that it was never before cabinet. Is it any wonder the hon. member for Calgary North (Mr. Woolliams) inquired as to who was telling the truth. This bill, in its present form, is a patently transparent attempt to reduce the House of Commons to a decorative nullity. What manner of trick is this? The Prime Minister has been pushing Canada along the road towards being an imitation of or a creature like the House of Representatives of the United States. This bill is to reform the organization of government. Last week the President of the United States stated that reform in organization is necessary. One of his suggestions was to reduce the membership in his cabinet from 12 to 9. At the very same time the government of Canada is asking us to multiply cabinet positions and parliamentary secretaryships to a degree that would make even rabbits blush.

What has been revealed today is an amazing confirmation of that which this Opposition repeatedly has placed before this House. I have seen the Prime Minister thumb his nose at members of the Opposition. I have heard him refer to Members of the House of Commons as bums, and he said the rest of us were nobodys. I have been here for over 30 years. I am 75 years of age, not one or two years younger or older.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I have never known a government which treated Parliament with such disrespect. We all wished the Prime Minister well on his trip to the Prime Ministers' Conference. He was welcomed back on Monday. As he got off the aircraft, or just before he gave an interview as reported in the press, he said that a little less talk in the House of Commons is what is needed. I can understand that debate shocks the sensibilities of the government. As to unemployment the Prime Minister's immortal words were that criticism of unemployment was stupid and silly.

The Prime Minister, along with 20 members of his cabinet is to visit Saskatchewan on February 12. This legislation will pass and I hope the appointments will be made before the trip. I would like to see the whole cabinet go out there so that the people will see something they have never seen before. What about this legislation creating parliamentary secretaryships, ministers of state and associate ministers of state? In addition, provision already exists for an unlimited number of ministers without portfolio. I often think of the definition of Sir Robert Borden when asked what a minister without portfolio was. He was unable to answer, except to say they might be called eunuchs—without portfolio.

• (3:50 p.m.)

But what a host! Secretaries to the right, but none to the left. Sir, obviously this bill has been thought up to

relieve unemployment in the government ranks. This is a serious matter. This is a serious course that is being followed. It is another step in the direction of a deliberate and calculated degredation of parliament. They are getting away with anything. The other day one of the members said outside the House, "Anything we want to do we get away with." An exception was the Auditor General. When strong objection was raised all across the country the government ran, and evacuated the position it had taken.

What of the institutions of our parliamentary system? Why this multiplicity of ministers? Does it mean that quantity makes for quality? Mr. Speaker, this is the greatest political gravy train in Canadian history.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I note the smile on the face of the hon. member for York East (Mr. Otto). He is a man who, whatever his adversity may be and the hopelessness of joining this select group, smiles, and debates in a way that I always appreciate hearing. The other hon. members sit and wait. There is to be $10,000 a year for ministers without portfolio. There can be ten ministers of state, five for a two-year period. In keeping with the way in which ministers today play this game of revolving responsibilities in the House they can have ten for two-year periods, and ministers of state are to get $15,000.

Mr. Woolliams: In addition to their parliamentary salary.

Mr. Diefenbaker: Yes. We are all entitled to that, even those of us who sit in opposition. At present we have the largest cabinet in the history of Canada, with 29 ministers, and now there are to be additions to that number. Sir, this is a shocking example of contempt, with more than a half million Canadians unemployed. "We have nothing for you now," is the answer from the government of Canada to those who call for help.

Today the Leader of the Opposition (Mr. Stanfield) asked whether or not legislation would be brought in and made effective now, not on July 1, in connection with qualifications for unemployment insurance, and the answer was in the negative. What happened today in this House means that this Parliament is discredited and made a mockery of, a counterfeit, and a travesty of what it should be.

Who are going to get appointed? I feel sorry for the parliamentary aides who were given exit permits. I mean that sincerely. They were becoming experienced, and then they were sent on their way. Who will be appointed? If I can give a suggestion to those who want to, I would say it will be those who practice obsequious cringing and servile flunkeyism who will have the necessary qualifications. I offer this suggestion to hon. members opposite as advice.

Now, let me mention a few examples of the way in which things are hidden, and I must hasten because my time is limited. What about the directive that went out from an official of the Manpower and Immigration Department? The Minister of Manpower and Immigration (Mr. Lang) said he did not know anything about it. That in no way relieves him or any minister of responsibility. This government hides information it does not want Parliament to know. I will give you an example, Mr. Speaker. I think it was in the month of April I found out that a Treasury order had been passed for the expenditure of $190,000 for letter writers to answer criticisms of the White Paper. I do not know by how much that has been increased since. Some $200 a day was to be made available to chartered accountants. The Prime Minister said he did not know anything about that Treasury order. His memory today was no better concerning the cabinet minute in November, to which I made allusion earlier.

The President of the Treasury Board criticized me. I never was so frightened in my life. He announced outside the House—he did not announce it here—but on the television forum that he was going to get to the bottom of the matter and those who released the information to me—and I too—were going to be proceeded against. He asked, where did it come from? In his eyes the offence was that it was revealed, and not the fact that $190,000 hard cash, taken out of the Canadian taxpayers' pockets, was going to be used for political purposes to explain the unexplainable in the white paper.

The other day the hon. member for Gander-Twillingate (Mr. Lundrigan) gave a good answer when he was asked about the directive issued by the Department of Manpower. He was asked, where did it come from and he replied, "Do you think I want to add to the unemployment ranks?" Apparently over everyone hangs the threat of the government, this intimidation.

Canadians are asking for a reduction in taxation. Questions are asked by the Leader of the Opposition and by other members of the House. They asked the government, "What are you going to do?" The Minister of Regional Economic Expansion (Mr. Marchand), in effect, has said that if the government had the opportunity of doing again what they did earlier, they would not follow the course that has been followed. In other words, the government knows that they were wrong. In December, the government produced a budget, Sir, and increased taxation for 1971 by a 3 per cent surtax. All over the nation demands have been made for the government to recognize the proposition put forward by the President of the United States and the Prime Minister of the United Kingdom, namely that taxes must be reduced. Some little changes were made in the budget that provided some eyewash for the Canadian economy; and when we criticize them they say, "You wait." As the Prime Minister said in effect the day before yesterday, anyone who talks about unemployment is talking nonsense.

• (4:00 p.m.)

A revelation took place here today that is the greatest condemnation that any government could have visited on it, namely the revelation that it would, in the House of Commons, deceive and dare to conceal. In what a terrible predicament that put the bashful President of the Treasury Board. I feel sorry for him; and if there were any way in which condolences could be conveyed, that would be done.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Answers given to many questions asked in this House bear little resemblance to the facts. We are being fooled day by day. What has happened to Parliament? I know that some of my colleagues were all for rules changes. The rules were to be changed; committees were to be set up. I said, "If you do this, you are going to place Parliament in a straitjacket; and that is where it is. Your Honour is not at fault. Your Honour must take the rules as they are. Standing Order 43 today is a joke because, on every matter on which a motion is made, those sitting opposite say, "No". Consent is not given. The doors are closed. It is a bigger joke when members ask for the production of papers.

An hon. Member: The government transfers these questions for debate.

Mr. Diefenbaker: Instead of having a vote, as was the case in the past, the government transfers these matters for debate. What does this mean? It means the motion is buried, without embalming. In other words, the thing is no more, gone. The people opposite are making a gigantic farce of Parliament.

I have been here, as I have said, a long while. I saw Mackenzie King in action and he was often condemned; but Mackenzie King trusted Parliament. He listened to the views of Parliament when legislation was brought in and changes were suggested. Colonel Ralston, Chubby Power and other great parliamentarians like Ernest Lapointe would agree to changes. That does not apply to the government today. They say in effect, "This is what you will do. You can talk, but we are not going to change." That is the reason, sir, that Parliament today is losing its prestige and significance. There is nothing we in the opposition can do; there is nothing left for us to do. That supine majority that bows before the Prime Minister in obeisance and adoration sees dangling before it these wonderful prizes. Where has independence gone?

I shall conclude with a very serious appeal. In this institution, as I mentioned earlier, some ministers understand Parliament. I hope that they will stand up and save this institution from the obloquy with which it has been visited by this government, a government that seems determined to carry out the views of Machiavelli. The Prime Minister was once asked, "Who is your favourite politician?" He said, "Machiavelli". The next time I speak I shall quote from Machiavelli, because the comparison is tremendously revealing.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, Bill C-207 which is now before us may be related to Bill C-211 entitled "An Act for granting to Her Majesty certain sums of money for the public service for the financial year ending 31st March, 1971" of which section 2 reads in part as follows, and I quote:

2. From and out of the Consolidated Revenue Fund, there may be paid ... and being the aggregate of:

(*a*) the total of the amounts ... as contained in Schedule A $261,312,756.00;

(*b*) the total of the amounts ... as contained in Schedule B $204,000,002.00.

These sums of money are especially intended to allow the Prime Minister (Mr. Trudeau) to fulfill the promises he made to some hon. members of his party, before the last electoral campaign, in order to convince them to run for re-election.

It was necessary to promise to some of these gentlemen parliamentary secretaryships and to others opportunities for being appointed to a position inside the cabinet. Promises were made so they would decide to run for re-election. And now the time has come for the Prime Minister to carry out his promises.

Bill C-207 will enable the Prime Minister to carry out his election promises but, in order to swing it, a lot of things have been carefully included in this bill; those provisions are not bad in themselves, but they are more or less relevant to the problem under consideration. This new omnibus ill tends to implement the Prime Minister's promises or those of the Liberal organization.

As for the Liberal candidates who took the risk of running, their act of bravery will be rewarded, because the bill will allow almost everyone of them to get a position created under this bill which provides for most interesting remunerations. This is the most important point: five new ministers will be appointed; they will also be paid as such. Sixteen Liberal members, at least, will be appointed Parliamentary Secretaries, which will bring them an allowance of $4,000 in addition to their indemnity. Remuneration is also provided for all the committee chairmen.

Thanks to this new bill, I trust all Liberals will be happy because they will be able to get additional remuneration. I trust that with all this consideration on the part of the Prime Minister, we will hear no more about dissatisfaction within the Liberal party; and that all the Liberal members will be obedient, faithful, and follow religiously the orders of their big chief. I am convinced that disputes within the Liberal caucus will cease for a while.

This bill provides for the setting up of a department of the environment; that makes me laugh because, at the same time as just about everyone is being rewarded in the Liberal party, a pollution department is being created. Some wits might say: Pollution is created, first; then, a department is set up to fight it. There are several types of pollution: water, air, noise, scenic, political and financial.

As a rule, up until now, water and air pollution have been most talked about, but the most important one, which Créditistes have always fought, is financial pollution. Despite good intentions to fight all kinds of pollution, if there is no war against financial pollution, all other forms will remain.

To eliminate water and air pollution, to fight noise, to preserve our landscapes, money is needed. The Department of the Environment created by this bill will spend public funds to create commissions for the study of problems. In order to fight the various kinds of pollution, finance will have to serve municipalities and provinces, so they will be able to take the physical, necessary and

essential means to lead an efficient war against pollution where it exists.

The primary function of government is to fight the worst kind of pollutions, that is financial pollution and to make available to provinces and public bodies interest-free loans granted by the Bank of Canada, in order to enable those organizations to take the necessary steps, according to their jurisdiction, and fight pollution.

The government is already polluted by its election funds. It cannot fight financial pollution, because it proceeds therefrom. This is why I have more or less confidence in the establishment of the proposed Department of the Environment.

• (4:10 p.m.)

It is already compromised and will have to be satisfied with finding out the deplorable effects of every kind of pollution. As usual, it will leave the task of solving the problem of pollution to private industry or to others. It will be able to give lessons to everyone on pollution, but it will not act, because it is already polluted.

On Saturday, our Prime Minister came back to Canada, and yesterday, he was in the House for the first time, after an absence of over 25 days, following a trip to Asia.

A few months ago, he said on television: Enough of this nonsense. And today, after several trips to almost every country in the world since 1968, particularly when we see how our Prime Minister behaves in foreign countries, we have to admit that the nonsense is not yet over.

The supreme talent of our great traveller is to bring with him many publicity people who are very well looked after and travel in his own plane. In fact they are shown so much consideration during these long and frequent trips that it is very difficult for them to publish anything but praise for our great traveller when he returns from his long and costly trips.

I would like to give you here the list of all those who accompanied the Right Hon. Prime Minister on his trip to the East. There were forty-five of them. They are Messrs. J.E. Walker, former Parliamentary Secretary to the Prime Minister, R.G. Robertson, Secretary to the Cabinet, A.E. Ritchie, Under-Secretary of State for External Affairs, Ivan L. Head, special assistant to the Prime Minister; Romeo Leblanc, press secretary to the Prime Minister; J.L. Gray, President of Atomic Energy of Canada; D.D. Tansley, vice-president in charge of operations, Canadian International Development Agency; A.G. Kniewasser, assistant deputy-minister, Department of Industry, Trade and Commerce; the hon. member for Hull (Mr. Isabelle), physician to take care of the sick on the trip; Gordon Gibson, special assistant to the Prime Minister; John Gongos, RCMP inspector; H. Stewart, Director, Administration Division, Privy Council Office; R.V. Gorham, Eastern Division, Department of External Affairs; A. Donnelly, assistant press secretary to the Prime Minister; V. Chapman, assistant in some capacity or other to the Prime Minister; Captain R. Godfray, in charge of luggage; Miss Cécile Viau, private secretary to the Prime Minister; Miss Annette Walls, secretary to the Clerk of the Privy Council; Miss Thérèse Brazeau, secretary to the Prime Minister; and Mr. Y. Rivet, communications agent, Department of External Affairs, that is 21 persons to serve the Prime Minister, plus 24 others: newspapermen, radio or television reporters. I have a full list of those people, but it would take too long to read it. Altogether 45 people—a regular foot-ball club—accompanied our great traveller. That represents more than the whole Canadians hockey team travelling to win the Stanley Cup, more than the world football champions.

Our Prime Minister is acting big, as representative of 21 million Canadians. Perhaps he takes himself for his great friend Mao Tse-tung who is at the head of the Chinese Communist government and represents over 800 million Chinese.

With such an escort, Mr. Speaker, with such a team of information jugglers accompanying him, striving to boost his popularity abroad, the Prime Minister liberally distributes Canadian taxpayers' money which he enjoys taking out of their pockets through application of white paper recommendations, resulting in permanent unemployment for thousands and increasing the burden of Canadians.

For instance, during this last trip, our Prime Minister has handed out gifts in all directions, wherever he set foot on the ground. The local press has fostered his publicity by proclaiming him a great friend of their countries unaware that here in Canada the unemployed and the poor were being driven deeper every day to despair. The international vision of our big chief has been well entertained to compensate for a continuous devaluation of his public image here in the minds of Canadians because it is becoming more obvious now and ever since 1968 that this man was brought to power through misleading publicity. In fact, the national image of our great leader is deteriorating and this in the eyes of the Canadian population is tentatively offset by an attempt at popularizing a kind of international superman picture.

Like the frog that wished to be as big as the bull and busted, our great Prime Minister left for Asia twenty-five days ago accompanied by a publicity team which was anxious to present him as the saviour of the Commonwealth, the man who would pull England back into the rank with his diplomatic touch and his athletic prowess, and convince her of the necessity of ending all arms sales to Rhodesia if the Commonwealth was to be saved, its existence being threatened, according to the newspapers.

The conference has now ended and England—

Mr. Guay (Lévis): Mr. Speaker, I rise on a point of order.

[*English*]

Mr. Deputy Speaker: Order, the hon. member for Lévis on a point of order.

[*Translation*]

Mr. Guay (Lévis): Mr. Speaker, would the hon. member permit a brief question?

Mr. Rondeau: Yes, if it is a brief one.

Mr. Guay (Lévis): Mr. Speaker, if, as the hon. member said, the Prime Minister of Canada went to visit foreign countries, because his popularity was decreasing in Canada, I wonder whether he and his leader are not making trips to western Canada for the very reason that their own popularity is decreasing in Quebec—

[*English*]

Mr. Deputy Speaker: Order. The hon. member is making a speech rather than asking a question.

• (4:20 p.m.)

[*Translation*]

Mr. Rondeau: Mr. Speaker, I am very pleased that the hon. member for Lévis rose. This will enable him to remain in the eyes of his constituents, which he dearly needs, for his interventions in this House have been few and far between.

I see no objection, Mr. Speaker, to the fact that our Prime Minister travels the country or that other members tour Canada to ascertain the problems facing us, for we, as parliamentarians, are here to run the country and pass legislation. Cross-country tours for informational purposes are therefore in order, but it is abnormal that one should spend 60 per cent of one's time abroad as has been the unfortunate case with the right hon. Prime Minister since 1968 who has been trying to solve the neighbours' problems instead of looking in his own backyard.

This conference is now a thing of the past and Britain continues to sell arms to South Africa. May I say in passing that the right hon. gentleman busted his political balloon during the conference since he supported the British position he disapproved prior to his departure for Singapore.

During his 25-day trip, in consultation with the experts who accompanied him, he has done some sort of a political somersault, for he has already proved indeed that he could practically walk on his head—

[*English*]

Mr. Deakon: On a point of order, Mr. Speaker. I should like to know what all this talk has to do with the organization bill. Is it on the subject, or not?

Mr. Deputy Speaker: The hon. member is questioning the relevancy of the remarks of the hon. member who now has the floor. It seems to me the hon. member for Shefford is, generally speaking, within the relevancy of the debate. He has been speaking about the travels of the Prime Minister within the framework of the organization of government. In this debate so far, I think we have granted fairly wide latitude in the matter of relevance as long as the subject matter related generally to government organization.

[*Translation*]

Mr. Rondeau: Mr. Speaker, we are considering the organization of the government in general and when we talk about the Prime Minister's trips, I realize that it may hurt some members of this House. Be it as it may, this regards the organization of the government, because we are asked today to vote various amounts of money that were not provided for in the estimates, as a reward for some members on the government side and in order to keep some promises that our Prime Minister made.

In the meantime, our businessmen and Canadians in general are worrying, and rightly so, about the economic situation which is deteriorating day by day. The number of unemployed is increasing at an alarming rate.

The Prime Minister claims that unemployment is nonsense, and that those who speak of it are talking nonsense. The number of unemployed continues to increase at an extraordinary rate while our great traveller, the Prime Minister, turns political somersaults by day and performs—we noticed during his last trip—Asiatic dances during the erotic hours of night in Chinese discotheques.

Our Prime Minister seems concerned about the economic situation in Canada; yet he neglects to solve Canadian problems. His last trip enabled him to—

Mr. Prosper Boulanger (Mercier): Mr. Speaker,—

Mr. Rondeau: Mr. Speaker, I should like to ask the hon. member for Mercier, who was promoted "whippet" a few days ago, to make the most of his qualities from time to time in the House—

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

[*English*]

I do not know, Mr. Speaker, whether the translation is getting to you correctly, but what the hon. member for Shefford is saying right now, is that 60 per cent of the time the Prime Minister is away from the House. That is not in order. He is telling falsehoods.

Mr. Deputy Speaker: The Chair has, I think, allowed throughout the speeches of all hon. members a latitude which I believe to be in order and in keeping with the very general nature of the bill before us, a measure dealing with government reorganization. I would hesitate at this stage to indicate that a narrower interpretation should be placed upon the rule of relevancy.

[*Translation*]

Mr. Rondeau: Thank you, Mr. Speaker. I will not hold it against the hon. member for Mercier. On the contrary, I congratulate him on his appointment as "whippet", and I hope the government will take into consideration the few interventions he makes in good faith, I believe, in the House.

Mr. Boulanger: Mr. Speaker, may I ask the hon. member a question?

Could he give me the definition of the term "whippet" if it is in his dictionary?

Mr. Rondeau: Mr. Speaker, I am not surprised at the position the hon. member takes, if he cannot find out by himself how to define his functions here. I cannot tell him everything he has to do.

Mr. Boulanger: Mr. Speaker, I have another question to ask.

He is not very good at telling the truth—

[*English*]

Mr. Deputy Speaker: Order. It seems to me that the question asked by the hon. member for Mercier may have been outside the bounds of relevancy. I will ask the hon. member who has the floor to continue his remarks and to keep them within the confines of the bill under consideration.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I would ask the hon. member for Mercier to kindly ask his superiors, who have appointed him, to define his position, so that he might learn the nature of it.

Mr. Speaker, during his recent trip to Asia, our Prime Minister has once again played Santa Claus, for he has distributed loans to certain countries.

He will soon be telling Canadians—once again—that they must tighten their belts, and that they will have to make sacrifices. He will tell them: Tighten your belts so as to pay for the gifts that I have just distributed in Asiatic countries which, in turn, have given me very nice publicity as an international Superman.

I have no time, today, to give out the list of the interest free loans granted since 1968 to more than 50 countries, but I would like however to bring two of these to the attention of the House. During his recent trips, the Prime Minister has granted an interest free gift-loan of $94 million to Ceylon, payable in 50 years. He has furthermore granted an interest free loan of $4.5 million to Indonesia, payable in 50 years, with a 10 year period of grace, if that country so wishes.

• (4:30 p.m.)

The Prime Minister of Ceylon, Mrs Sirimavo Bandaranaike—having received the gift-loan from the Prime Minister of Canada—paid all respects and gave all praises that might be delivered to a head of state.

It can't be helped: our Prime Minister is fond of reverences and compliments.

Mr. Gilles Marceau (Lapointe): Mr. Speaker—

[*English*]

Mr. Deputy Speaker: Order. Would the hon. member please resume his seat. Is the hon. member rising on a point of order?

[*Translation*]

Mr. Marceau: Mr. Speaker, will my hon. friend allow me a question?

[Mr. Boulanger.]

Mr. Rondeau: I will not tolerate any questions.

Mr. Marceau: Mr. Speaker, the hon. member will not allow me to put a question. Would he be afraid of that question?

Mr. Rondeau: By no means.

Mr. Marceau: My question is this: Is my hon. friend aware that money loaned by Canada is used to buy machinery in Canada and that it is not an outright gift? Is he aware that such loans are used not only to develop countries but also to help this country? Is my hon. friend aware of these facts? If he were, would he still state that these loans which help both Canada and Ceylon are harmful?

Mr. Rondeau: Mr. Speaker, I am delighted to hear the member for Lapointe make those remarks. I believe he learned about this matter recently, for we have known for quite some time that this money is used to buy Canadian products. This is even worse, Mr. Speaker.

If this money is used to buy Canadian products—and we have nothing against that—we do say that the same gifts that we offer to the Indonesians or the Cingalise should be given to the people of Quebec, of New Brunswick, of Nova Scotia, of the western provinces; Canadians should be entitled to the same interest-free loans for the purpose of buying Canadian products. This would benefit the economy and make it possible to raise the standard of living of Canadian people and it would also enable them to pay only once for the public services they use.

The hon. member for Lapointe approves of the fact that interest-free loans are granted to foreigners; if those same loans were granted to the Province of Quebec, we could build schools, CEGEPs, technical schools or help public developments through the construction of bridges, roads, including the East-West expressway in Montreal, and enable all Canadians to pay only once for those roads, those bridges and those schools.

Mr. Guay (Lévis): That is exactly what we are doing.

Mr. Rondeau: The hon. member for Lévis says: "That is exactly what we are doing". This is absolutely untrue. At present, the Quebec-Hydro—

Mr. Guay (Lévis): Mr. Speaker, I rise on a point of order.

[*English*]

Mr. Deputy Speaker: Order. Is the hon. member rising on a point of order?

[*Translation*]

Mr. Guay (Lévis): Mr. Speaker, I would like to point out that I said yes, and it is true. In fact, I have the means to prove it, as indeed it is all so well here in this House—

[*English*]

Mr. Deputy Speaker: Order, please. Has the hon. member a point of order? If so, I should like to hear it.

[*Translation*]

Mr. Guay (Lévis): Mr. Speaker, I wish to raise a question of privilege.

Mr. Rondeau: So do I; I want to raise a question of privilege.

[*English*]

Mr. Deputy Speaker: Order. If the hon. member has a question of privilege I will hear it.

[*Translation*]

Mr. Guay (Lévis): Mr. Speaker, the hon. member seems to forget that here in the House we are entitled to the truth. He seems to forget that we not only promote Canadian industries by loans, but that we also give them grants. That is more than loans without interests, it is in fact giving away money.

[*English*]

Mr. Deputy Speaker: Order, please. I think the hon. member has a point of debate rather than a question of privilege.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I want to point out to you that I am getting tired of being interrupted by members who never take in the House the opportunity to say what they think, who enjoy throwing sand in the works and making statements that are more or less relevant.

I know that the Department of Regional Economic Expansion is giving incentives to some industries. However, I am not aware that the federal government has made interest free loans to municipalities in the province of Quebec or in any other province of Canada. That is what we are talking about. We are not discussing the merits of the decision made by the Department of Regional Economic Expansion to subsidize industry. We do not criticize, but if Canada is giving interest free loans to other countries, we ought to do the same for the Canadian provinces.

Mr. Speaker, granting an interest-free loan to another country—although Canada never received one—amounts to a gift. The right hon. Prime Minister has made such gifts during his last trip. This reminds me of the time when Indian chiefs were receiving gifts designed to keep them quiet so that they could be more readily exploited afterwards. Was it really necessary to keep some Commonwealth countries—such as England—quiet because of arm sales to Rhodesia? Did several countries threaten to wreck the Commonwealth?

Did those gifts—loans granted by our Prime Minister help save the Commonwealth? Did the profits made by British arms merchants and manufacturers keep quiet several angry countries who still believe that it is necessary to kill in order to live?

Has the old saying "Money talks" been able once again to save the Commonwealth? History will tell perhaps but too late, unfortunately, for we Canadians shall have to pick up the tab for those gifts which we cannot really afford for ourselves.

To date we do not know, apart from what has been said about it, whether the Commonwealth is really in danger. We know, however, that England will keep selling arms with the approval of our Prime Minister, though he did oppose this move before he left for Asia. Who has won the battle? The political experts, before the Prime Minister left, or the British financial experts?

And while men will kill each other with English weapons, we Canadians will grant loans without interest to others so that arms dealers be paid and that those who wish to live out of war be well financed.

Some wish to fight, and some dealers or manufacturers from England have arms to sell or profits to make. But we Canadians pay them handsomely so that the English can sell their arms and be paid and that Asiatic belligerents be financed in order to be able to kill one another.

When the Créditistes ask for loans without interest from the Bank of Canada in order to finance waterworks or other projects which we need everywhere in Canada, politicians committed to finance, like those we heard a few moments ago, say that it is impossible because it would entail too much money, which would do nothing but contribute to inflation. Unfortunately we see a bunch of fools without money who are afraid of inflation, who are afraid of having too much money and who shout parrot-like: That would make too much money.

When the Créditistes wish to obtain interest-free loans from the Bank of Canada in order to finance the construction of waterworks for instance, or to carry out any other project necessary and workable involving public expenses, they say this would lead to inflation. But is it not known that when we build a bridge costing $1 million and that we have to pay $3 million in interest and $1 million on the capital, we create inflation because we pay in taxes four bridges, three in interest paid to finance and one to reimburse the capital, while the whole project could be financed without interest through the Bank of Canada?

When our Prime Minister grants gift-loans to Ceylon or Indonesia, as he did during his last trip, and as he has done for several countries in the world almost each week since 1968, no one asks questions. Nor do hon. members opposite. Where will the Prime Minister get almost $100 million, the amount he agreed to loan over the last three weeks? However, when members of the Ralliement créditiste request equivalent treatment for the provinces, public bodies or school boards, the hon. members on government side laugh.

Bill C-207 is an omnibus bill which is mainly intended to carry out the election promises made by the Prime Minister who, in order to get candidates during the last

election campaign, had promised jobs, additional salaries and rewards. The time has come for rewards and this is why we cannot, Mr. Speaker, approve this bill unreservedly, though we are against pollution. Besides, we said repeatedly in this House that it should have been checked years ago. But the present government merely studied the problem and referred it to the provinces which lack the monetary and financial means necessary to face their responsibilities, because presently, the Constitution grants them responsibilities in areas such as education, public utilities and others.

• (4:40 p.m.)

However, the federal government kept for itself all monetary powers, and because it does not put any funds at the disposal of the provinces to enable them to carry out their responsibilities, for the past 100 years, there has been perpetual conflict, as the provinces are at daggers drawn with the federal government. They want to carry out their duties, but the federal government, on the other hand, is hindering their progress by not supplying them and public agencies with the money needed for this. For that reason, we have had for years and whatever party is in power, perpetual conflict between the provincial governments and the federal government and between municipalities and school boards and the provincial governments.

We are members of the House of Commons, that is responsible for the financial administration of the country, but our hands are tied because of the supremacy of high finance. Why? Because governments that are elected through election funds are the first victims of the financial pollution of such electoral funds.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, there has been a good deal of lively and scintillating debate on this bill this afternoon. If by way of contrast I enter it in a low key, I am none the less serious about two or three things I think ought to be said at the second reading stage.

Because there are to my knowledge many public servants who have worked for this country a good many years who would like the opportunity to retire early, as is provided in this legislation, I should like to see the bill passed and put on the statute books as quickly as possible. On the other hand, because in the same field, namely that of public service superannuation, there are provisions which I think are most unfair and could be used in an unfair and dictatorial manner over some of our public servants, I should like to see the bill set aside.

If I may jump ahead in my thoughts and offer a similar couplet, may I say that because of the provision in this bill for the establishment of a department of the environment, I should like to see the bill passed tonight, between government and parliament I think it should be torn and kicked out of the House as was done in the United Kingdom parliament once in respect of an iniquitous piece of legislation.

[Mr. Rondeau.]

It is mainly in respect of those two phases of the matter that I should like to make a few remarks at this time. I return, therefore, to the superannuation question. It is true that this bill will make it possible for quite a number of civil servants to retire with an immediate pension even though they have not reached the usual retirement age of 60 or 65.

Under this bill a letter carrier, for example, who has been working for the Post Office for 30 years, and who is now 55 and rather tired of carrying the mail around, would be able to retire with an immediate pension equal to 60 per cent of his average salary during his six best years. Likewise, anyone 55 years of age and over, but not yet 60, would be able to claim the benefits of this bill and retire early with an immediate pension.

There is also provision for retirement between the ages of 50 and 55. The several formulae set out in respect of this matter make it clear that if one retires earlier than the age of 55, even though he has passed aged 50, he would not get what otherwise would have been a full pension, but one reduced by a certain percentage for each year he is short of age 55 or each year he is short of a certain number of years of service.

In so far as there are public servants who would like to do this, even though the pension they might get would be quite low, this is a privilege or an opportunity being offered to them which quite a few might wish to accept, although I suspect there will be more advantage taken of the provision to retire at age 55 than there will be of the provision to retire below that age, because at age 55 at least one can get a full pension for the number of years he has worked up to that point. For those who retire below age 55 the reduction formula stares them in the face, and the prospect is not so inviting.

At any rate, in so far as the rights offered to our public servants by Part VII of this bill are put on a voluntary basis so that the public servants concerned may avail themselves of them if they wish to, this is good. That is the reason I say from that side of the coin I should like to see this bill on the statute books as soon as possible, for there are many public servants who are in fact waiting for it. I can understand this just from reading the legislation, but I can also say I have received a fair amount of correspondence from public servants in their middle fifties who are looking forward to availing themselves of the privileges of this legislation.

However, the other side of the coin, in so far as the superannuation portion of this bill is concerned, is in my view a rather ugly one. The other side of the coin is that the government may avail itself of the provisions of this Part VII and compulsorily retire people at age 55 on the pension they would get, or even down to age 50 on the reduced pensions provided by this legislation. I know the government will say it is fair to have it both ways. If you give a free right of retirement to the individual, should you not give a free right to the employer to retire that individual even if it is against his will? This is like the equity between one horse and one rabbit.

May I point out that the so-called free right to retire accorded to the individual public servant is not completely free. He has to meet the conditions set out in the legislation. He has to be 55 or over in order to get an immediate pension equal to 2 per cent times the number of years he has been in the service, times the average salary of his six best years. If a public servant is between 50 and 55 he has to meet the further condition of having a certain minimum number of years service, and he has to subject his early retirement pension to a reduction formula.

• (4:50 p.m.)

I have tried to understand the various formulae in the legislation and I believe I do understand them. I admit I am picking out for purposes of my illustration the minimum one. As I understand this, a public servant who is 50 years of age and has 20 years of service can retire or can be retired at that point and receive an immediate pension. But, by the formula set out in this bill, that immediate pension is cut in half from what it would be for 20 years of service so that instead of receiving 20 times 2 or a 40 per cent pension he would receive half that or a 20 per cent pension. I submit it is all right to give a public servant the privilege at age 50, if he desires it, to leave the public service and go out on a pension equal to 20 per cent of the average of his six best years. That is his choice and he must meet the conditions in order to receive such a pension. One of the conditions is that he must accept the reduction in his pension rate.

But, Mr. Speaker, the government would be in a position to say—and this is why I use the word "ugly"—to a public servant who is 50 years of age and who has worked for the government and the people of Canada for 20 years: You are out; you are retired and our hands are clean because we are putting you on an immediate pension; you do not have to wait until you are 60 or 65 years of age, you get it now.

What is that pension? It is 20 per cent of the average salary he has had for his best six years. It is just talk these days to say that such a person is therefore free to go out, obtain any other kind of job he wishes and build up another pension. There is such a thing in this country today as unemployment. We ought to be aware of it from the efforts made on the floor of this House to make the government aware of it. We are aware of the fact that it hits certain groups very severely. One of these groups is the people over 40 or 45 years of age.

I say that to retire a person today at age 50 on a pension equal to 20 per cent of his average salary over his best six years is a mean and ugly thing to do. Yet, that is what is being made possible by this legislation. I know someone on the government side might defend this position, if he has the gall or nerve to do it, by saying that the government can do this now. The government can dismiss a public servant at age 50 on no immediate pension. The government can dismiss such a person and the best that person has to look forward to is a deferred pension when he reaches age 60. We have the notion that because that is the situation, because a public servant who can be fired by the government today at any age has only a deferred pension to look forward to, there is a little bit of inhibition working here; that is, that the government is a little reluctant to fire people and turn them out in the cold without any pension at all. Under this legislation the government will lose that inhibition and be able to say, with all the pride and virtue it is able to present, that it is not turning these 50 year olds out in the cold because it is placing them on an immediate pension.

Because I think my working out of the formula is correct, Mr. Speaker, I repeat that a public servant at age 50 who has had 20 years service can be retired at this point on a pension of only 20 per cent of the average salary he has enjoyed over his six best years. So, Mr. Speaker, I say this is unfair. I usually read with interest what organizations of employees say about matters of this kind and when they say things with which I agree I do not hesitate to quote them. Sometimes, I am a little disappointed. I believe the Public Service Alliance has missed the point on this. I saw its publication of a few days ago in which the Public Service Alliance greeted without qualification this right of public servants to retire early. I repeat that I am with the Public Service Alliance to the extent that in so far as this is a voluntary right, it is something to be greeted. But what about the position of the 50 year old or even the 55 year old who is right in the midst of trying to get his sons and daughters through college, who is trying to pay off the mortgage on his home and who has made plans to retire at age 60 or age 65, for whom there is no old age or Canada Pension Plan benefit until age 65? The government might say to that person that he must go.

Now do not tell me, Sir, that this government would not do such a thing. It did it in the last year or so, even when these immediate pensions were not available and when the best to be offered was a deferred pension arrangement. So, I see this business of placing this weapon in the hands of the employer as being mean, ugly, and despicable. I wish the organizations which are prepared, as I am, to welcome the voluntary side of it would take another look at this side. I said earlier that the President of the Treasury Board probably will say it should work both ways, and that if the employee has the right to make his choice the government should have the right to make its choice. The employee must make his choice within certain conditions and his whole life is at stake. He knows what his plans are and can make his choice in the light of those plans, but the government does not have to meet any condition at all. It does not have to offer any alternative. The government can say to the person who is placed in these circumstances that before this legislation came in he could have been fired anyway, without a deferred pension, and now because he can be retired immediately with a 20 per cent pension, out he goes, whether he likes it or not.

I think this is an ugly situation and one at which we might look a little further at eight o'clock.

Scientific Research Animals Protection Act

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Brandon-Souris (Mr. Dinsdale): Air Transport—Manitoba—Restoration of Class A Regional Service; the hon. member for Moose Jaw (Mr. Sokberg)—Canadian National Railways—Discontinuance of Dining Car Service—Ottawa-Montreal; the hon. member for Selkirk (Mr. Rowland)—Social Security—Guaranteed Annual Income—Old Age Pension Cost of Living Bonus—Changes in Canada Pension Plan.

It being five o'clock the House will now proceed to the consideration of private members' business as listed on today's order paper, namely public bills, private bills and notices of motions.

I understand the first order standing in the name of the hon. member for Peace River (Mr. Baldwin) is to stand. Is that agreed?

Some hon. Members: Agreed.

• (5:00 p.m.)

PRIVATE MEMBERS' PUBLIC BILLS

SCIENTIFIC RESEARCH ANIMALS PROTECTION ACT

PROVISIONS FOR THE PROTECTION OF ANIMALS USED IN SCIENTIFIC RESEARCH

Mrs. Grace MacInnis (Vancouver-Kingsway) moved that Bill C-19, for the Protection and Humane Treatment of Animals used in Scientific Research, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

She said: Mr. Speaker, the purpose of this bill standing in my name is very easily explained. Its purpose is to provide legislative machinery to assure humane treatment for live animals used in scientific research for which grants are provided by the government of Canada. It is the intent of this bill to cover all phases of protection for animals used in such research, including general policy, the conditions in which animals are kept while on the premises, and the sources of supply where such animals are purchased.

Clause 2 of the bill, which is the main operative clause, reads as follows:

> No grant for scientific research involving live animals shall be made by or through any department or agency of the Government of Canada unless the applicant has a certificate of registration or a licence issued by the Minister of Agriculture on recommendation of the Canadian Council on Animal Care or an equivalent body so designated.

I would point out that Bill C-140, standing in the name of the hon. member for Victoria (Mr. Groos), has been on the Order Paper for the last three years, and my bill was intended to be supplementary to his, underlining some of the points covered in Bill C-140. The only reason that mine appears ahead of his is the luck of the draw held to determine the position that a private member's bill will have on the Order Paper.

This afternoon I speak for a great many people across Canada. For years a growing number of Canadians have been deeply concerned about conditions surrounding experimentation on animals for medical and scientific purposes. They are concerned about unnecessary cruelty, and repetitive experiments. Above all, they are concerned because Canada has no legislation to protect animals used for scientific purposes.

For years some hon. members have been trying to get this situation changed. My colleague, the hon. member for Vancouver East (Mr. Winch), has placed innumerable resolutions on the Order Paper trying to have this whole matter referred to committee for study. As I have said, the hon. member for Victoria has had a bill on the Order Paper for three years, and this is the second year for my bill.

Other countries are far ahead of us in the provision of such legislation. For example, in Britain legislation was passed in 1876, and recently that country conducted a far reaching study resulting in the Littlewood Report which it is hoped will be embodied in new legislation before long. Denmark has had legislation governing experimentation on animals since 1953, and the United States has had such legislation since 1965. I ask the question: why not Canada?

People may argue that this is a provincial matter, and I reply that the scope of my bill is not provincial. It is strictly federal. The bulk of medical research grants to Canadian universities comes from the federal government, and virtually all universities, either directly or indirectly through their research staff, receive grants from the federal government for this purpose. Therefore, the federal government has the right and the duty to withhold grants for medical research from the universities until or unless certain standards and conditions are met. I would point out that those sections of the Criminal Code designed to prevent cruelty to animals are ineffective so far as the protection of laboratory animals is concerned because humane inspectors do not have the right to enter research laboratories, and provincial inspectors are not able to carry out the provisions of the Criminal Code. For this reason federal legislation is necessary.

There is a precedent for such federal legislation. The Meat Inspection Act contains a provision that humane slaughtering methods must be used in packing houses that come under federal inspection. I suggest that protection in what amounts to the scientific slaughtering of laboratory animals is equally necessary. What has been done to investigate the situation respecting laboratory animals? The Council for Laboratory Animals, based in Vancouver, made a submission to the Minister of Justice (Mr. Turner) as late as January of this year regarding the use of animals in scientific research. All hon. members have received copies of this submission, but I

would wager that a very small percentage of them have read it through. Therefore, I am going to summarize some of the points contained in it. In part, it reads:

It is now seven years since the Council for Laboratory Animals first drew the federal government's attention to the unsatisfactory treatment of research animals in Canada.

During the last three years considerable progress has been made in improving the housing and husbandry of laboratory animals in Canadian universities. The Canadian Council on Animal Care, set up by the Association of Universities and Colleges of Canada in 1966 with National Research Council financing, has ben active in encouraging the universities to upgrade the 70 per cent of animal facilities which were rated as inadequate at the time of the original survey. Animal care committees have ben established at most universities, and steps taken to raise the standards of training of laboratory technicians responsible for the animals.

The Canadian Council on Animal Care has not, however, been given the responsibility of reviewing experimental procedures and this represents a major gap in the protection afforded to laboratory animals. The medical journals report considerable numbers of Canadian experiments involving pain or stress to animals each year, some of which appear, on the face of it, to be of doubtful value in relation to the suffering involved.

I have a dozen documented examples of this. Here is one titled, "Conflict and Conditioned Aversive Stimuli in the Developments of Experimental Neuroses," and I read:

Method: 30 cats used. Cats placed in metal box with floor bars (electrified) ¾ inch apart. A squeeze partition employed to note cat's response to constriction. Cats trained to open food container and eat (after 24 hours starving). Then two cats placed together to test "dominance in feeding." After training, shocks given on removing food cover or when food entered mouth.

Some of the "neurotic behavior" noted:

Violently resists entry to cage, agitated pacing and tremors, seeks escape, crouching in corner, violently resists approach to food, hissing, clawing, arching back, persistent violent combat with partner cat, rejects all food, panic, maximum fear of signal, panic reaction to constriction etc.

This is one of the lesser forms of torture recorded in various medical journals. I maintain that the Council for Laboratory Animals is perfectly justified in saying:

We believe that, just as the private individual is required under the Criminal Code to justify the infliction of suffering on an animal, so the scientist should be ready to justify painful experiments before a competent body. We suggest, therefore, that the staff of the Canadian Council on Animal Care be expanded to include a small, but highly qualified, inspectorate of medical and veterinary scientists who would review proposals for experiments approved by University Animal Care Committees and the subsequent reports of these experiments.

The Council goes on to outline the degree of such inspection, and suggest exactly the sort of thing that is proposed in my bill:

• (5:10 p.m.)

We suggest that the federal government take steps:

(1) to provide permanent funding for the inspectorate of the Canadian Council on Animal Care in order to ensure its continuity and

(2) to make the inspectorate responsible to the Minister of Agriculture rather than to the institutions whose facilities it is required to supervise.

It would be impossible to over-emphasize the importance of this second point. It is not a good idea, as I have suggested, for a conflict of interest to obtain wherein the inspectorate is responsible, as is the case now, to the very colleges and universities that it seeks to supervise. It is far better that the council on animal care should be made, as proposed in this bill and in that of the hon. member for Victoria the responsibility of the Minister of Agriculture, who is in no way responsible to the universities and colleges of Canada. That, I submit, is a good principle to adopt in legislation.

I realize that in the recent press communiqué of the association of universities and colleges of Canada it is claimed that a great deal has already been done in the matter of voluntary controls. Undoubtedly, this is true. Nevertheless, I submit that voluntary controls are not enough, partly because of the conflict of interest I have mentioned and partly because legislation is the only way of making sure that animals in the hands of sadistic, thoughtless or careless people shall not be subject to unnecessary cruelty. Therefore, our reliance on the effectiveness of voluntary controls in this matter is quite insufficient. The council for laboratory animals emphasized this point in a pamphlet that it submitted to the prime minister some years ago. It said that education and persuasion do not go far enough; that what we need and must have, in addition, is an outside policing of those institutions using animals for experimental purposes. We must have legislation. We must have the framework to protect, so far as possible, helpless creatures from unnecessary cruelty at the hands of anyone using them.

May I point out that across Canada there are about half a million helpless animals used every year for experimental purposes. The amount of cruelty perpetrated on those animals is beyond belief and quite beyond the imagination. May I also say to those people who think that the present system is not good enough, that increasing attention is being given in other countries to the substitution of nonsentient materials, or of other methods, in place of animals in testing and experimentation, and to a reduction in the number of animals used through better methodology. A number of practical alternatives to the use of animals have been developed in recent years. These include the use of tissue and organ cultures, chick embryos, chemicals, chromatography, radio-immuno assays, mathematical models and the computer, etc. In medical education, sophisticated audio-visual aids can largely replace the living animal.

But since I was taught in my childhood that often the best is the enemy of the good, so I believe that to make a plea right now for anti-vivisection would be to take away emphasis from that which I believe we most need, legislative controls, legislative standards and legislative prohibitions against the unnecessary cruelty that goes on behind the scenes in our scientific laboratories from coast to coast. I welcome the work which has been done voluntarily and which has improved the situation to a certain extent. Yet I emphasize again, Mr. Speaker, that the only way we can control this experimentation and be sure that these voiceless and helpless creatures are receiving proper attention in our medical laboratories and in university laboratories, is to bring forward effective legislation. It must be legislation which will make these colleges

and universities subject to the animal care people who, in turn, shall be responsible, under this legislation, to the Minister of Agriculture.

I commend my bill to this House, hoping very much that this time the "talker-outers" will be absent and will allow this legislation that is long overdue to be placed on our statute books.

The Acting Speaker (Mr. Richard): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Richard): Will all those in favour of the motion please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Richard): Will all those opposed please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Richard): In my opinion, the nays have it.

Mrs. MacInnis: Mr. Speaker, there are not enough members on this side of the House to stand up with me.

The Acting Speaker (Mr. Richard): Order, please. I declare the motion negatived on division.

Motion (Mrs. MacInnis) negatived.

Mr. Mahoney: Mr. Speaker, may we call it six o'clock?

The Acting Speaker (Mr. Richard): Is it the wish of hon. members that we call it six o'clock?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Richard): Since it has been called six o'clock, I do now leave the chair. The House will resume at eight o'clock this evening.

At 5.22 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration of the motion of Mr. Drury (for the Prime Minister) that Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto, be read the second time and referred to the committee of the whole.

[Mrs. MacInnis.]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, when I commenced my remarks on Bill C-207 just before five o'clock I indicated that my concern about this bill is that it has too many cases of the good and the bad, too many coins that are beautiful on one side and ugly on the other. I believe in my remarks before five o'clock I pinpointed the two examples of this that bother me most. I am prepared to confine my remarks to those two examples. The first is in the field of public service superannuation. Before five o'clock I said most of what I wanted to say on this point. However, there are a few more words that should be added.

I pointed out this afternoon that this is a clear case of a coin that is beautiful on one side and ugly on the other. The beautiful part is that the possibility of early retirement is extended. This is something that our society will have to face before long. Public servants who have a certain number of years to their credit and have attained a certain age may, if they wish, retire and receive a pension beginning at the moment of retirement even if they are only between 50 and 55 years of age. In so far as this bill permits public servants to avail themselves of this privilege, it is good and I welcome it. I want to see this provision on our statute books.

The other side of that coin is that part VII of the bill gives the government, as employer, the right to retire—in more realistic language, the right to fire—public servants and put them on pension between age 50 and 55 whether they want to retire or not. I am not impressed by the argument that this is a matter of equality, or that it is a two-way street which makes it possible to have the initiative on either side. You do not equate one lone employee, trying to sort out his finances and his old age security, against the weight and power of an organization as large as the government of Canada. It is not fair to say that because an employee has the right to retire at an early date if he wishes, the Canadian government has the right to force him to retire even if he does not want to do so.

• (8:10 p.m.)

I pointed out before five o'clock, and admitted I was taking the minimal case I could work out from the formula contained in the bill, that it would be possible for the government to force into retirement a public servant who was 50 years of age and who had 20 years of service, on a pension of only 20 per cent of his average salary during his six best years. To require a public servant to retire at age 50 on a pension of only 20 per cent of his salary, whether he wants to retire or not, is—pardon me for repeating the word—ugly. I do not like it and I do not think it should be in this legislation.

In the same area, the government provides in the bill before us what has already been described as a special privilege for those who attain the rank of deputy minister or deputy head: this is a phrase which I assume will include a secretary to a minister of state where that minister has been given, by proclamation, a department over which to preside. If such a deputy head has been in the public service for ten years and chooses to leave, or is turned out, he is given the privilege of continuing to

contribute to the public service superannuation fund until the age of 60, at which time he can draw the full pension available to him on the basis of the number of years during which he has paid into the fund.

This is clearly a case of special privilege for a very select few. The only defence I can see anyone trying to put forward from the government side is that the government might want to possess machinery by which it can bring in deputy heads and turn them out again. I cannot understand why the government should want an arrangement of that kind. It will not be much of an inducement to an outstanding person to come in and undertake this type of job if he knows he can be turned out very readily. So this is a special privilege available to no one else. I can think of scores of cases where people have asked for the right to continue to pay into pension funds so they could build up their pension, but this is usually not allowed. Yet an exception is made for this select group whose number we can probably count on our fingers and toes.

I should like to make a comparison between the special privilege for such deputy heads and the treatment accorded ordinary individuals in the public service who retire at the age of 50. Take the case of a postal employee, a clerk, an employee of the House of Commons who at the age of 50 has been in the public service for 20 years. He can be forcibly retired on a pension of only 20 per cent of the average salary of his six best years. But a deputy head who at age 50, let us say, has spent only 10 years in the public service can go out into private business or industry, continue to contribute for the following ten years and become qualified at the age of 60 for a 40 per cent pension on the basis of ten years service but 20 years contribution to the fund. So the hardworking public servant who spent 20 years in the public service up to the age of 50 goes out with a 20 per cent pension, while the deputy head with only 10 years in the service gets 40 per cent at the age of 60. If that is not turning things upside down, if that is not being unfair to those at the bottom of the ladder and being unduly generous to those at the top, I do not know what is. These are examples of ugliness on one side of the superannuation coin which detract from the attractiveness of the other side of the coin. I earnestly hope that when we get into committee of the whole and reach part VII we can persuade the government to get fair play and justice written into this aspect of the measure.

I said there were two examples of coins which are beautiful on one side and ugly on the other about which I intended to speak. My second point has to do with the fact that on one hand this bill sets up a badly needed new department, the department of the environment, which I would say is welcomed by every member of this House. We shall have to assess what the department achieves when it gets going, but the rumours are that the minister who really has shown his concern in this area is to be the new minister of the environment and I think that even on the opposition side we can welcome the appointment of that minister and the establishment of this department.

It might be said, in criticism, that this step should have been taken long ago. But it has been taken now; we welcome it and it is good. I wish it could take effect right away. But instead of presenting the House with a simple proposition along those lines, something we could all welcome with enthusiasm, the government has put forward this ministry of state garbage.

Mr. Otto: Now, now.

Mr. Knowles (Winnipeg North Centre): The hon. member for York East (Mr. Otto) says now, now. What puzzles me is that we are trying to clear up pollution on one hand, yet we are bringing in pollution on the other. If the hon. member for York East, who is one of the two Liberals who will not get one of these new jobs, would prefer that the government has given us pollution instead of this garbage, I do not mind.

I listened to the explanation the President of the Treasury Board (Mr. Drury) gave for the proposition concerning the five ministries of state. I shall not rehash what he said or try to put it into my own words, but it is clear that what is being presented is a blank cheque to the Prime Minister (Mr. Trudeau) by which he can create and dissolve departments at will without coming to Parliament at all. The only limitation is that there can be only five of these ministries at a time; I hope there is no need for us to anticipate a cabinet even larger than the 32 or 33 ministers we shall have under this legislation, not counting ministers without portfolio.

• (8:20 p.m.)

So the Prime Minister will have five slots that he can play with, five new departments that he can create. After all, this is what they are. Just to say that they are ministers of state does not tell the whole story. Under the legislation the Prime Minister can appoint a minister of state, make him head of a departmental establishment, give him a secretary of state and all the civil servants he needs to go with his new office. These new appointees will be called ministers of state of this, that or the other and they will be just as much ministers as those who are named in the Salaries Act: they will have all their rights and privileges; they will be members of the cabinet.

Between the things that the Prime Minister can do under this bill by way of proclamation and the things that he can do under the Public Service Rearrangement and Transfer of Duties Act, this will probably be the last time a government will have to come to Parliament for legislation to approve the restructuring of departments of government. The line that the President of the Treasury Board gave us was that this was efficiency. I agree. It is efficiency gone mad, technocracy gone mad. I happen to think that it is important to make governments responsible to Parliament, and you do not maintain that responsibility when you increase the actions that the Prime Minister can take on his own.

Let me tell the President of the Treasury Board, in case he is thinking of interrupting me to ask a question, that I am aware that he said Parliament will have the

final say because the estimates have to be brought to Parliament.

Mr. Drury: The Appropriation Acts.

Mr. Knowles (Winnipeg North Centre): Yes, the Appropriation Acts. I will put on all the sackcloth and ashes that I should put on in saying that I went along with most, although not all, of the changes that we made to our rules of procedure during the last two or three years. Some of them I went along with enthusiastically, some I went along with reluctantly—but I went along with them. One of the changes that I went along with was the elimination of committee of supply and the institution of this new regime for handling estimates. May I be permitted to make the defensive statement that I think that most of the changes we made were good, particularly the way we now handle legislation. I think we improved our treatment of legislation tremendously. I think the committee system, as far as committees handling legislation is concerned, is also a great improvement over the former system. But as far as the handling of money is concerned, Parliament now has no control over the government's spending power.

When the House debates appropriations, we find that at a quarter to ten in the evening of a fixed day Mr. Speaker stops the debate and we then take a few votes. Unless some of us have put down motions to take votes on particular items, we just take the one vote. Technically, the President of the Treasury Board is correct; it is Parliament that votes the money. But this system has become just about the supreme farce of this institution. I am not saying that we should go back to the old committee of supply system, because that had become pretty farcical too. But we have not yet solved the problem and it is a problem that we must solve in terms of procedure.

I had the privilege, as did other hon. members, of talking to some of the new interns at the beginning of this session, and I threw out to them a challenge. I tried to tell them what we had done and then I said, "I hope that in the time that you are here you can come up with the answer to the problem of parliamentary control over finance". That is my answer to the point made by the President of the Treasury Board that Parliament does have control because we vote on appropriations bills. I suggest that does not mean a thing.

The fact is that once we have passed this bill, the whole business of structuring government, the kind of departments we have and the authority that is given to them will become a matter of proclamation. I am not referring to just the first proclamation that appoints ministers of state of this, that or the other, but to the several proclamations in respect of various duties. No president has the power the Prime Minister will have. He will sit over there, or in his office, and run the whole show.

I do not want to detract for one moment from the good fun we have had in this debate, particularly this afternoon. The bill is being condemned because it will create all these new positions for the boys, with additional salaries for parliamentary secretaries, additional salaries for ministers of state, and so on. There has been some good fun in that regard. But I also think there is some seriousness to it. I do not want to name him, but I have had letters from an outstanding political scientist in this country who is wondering whether we are not shooting right through the whole independence of Parliament principle by putting so many people on the government payroll.

As I say, I think this criticism of additional appointments has been serious. But I am a little afraid that with all the attention we have paid to this particular question, and with all the natural defences that are raised by members on the other side, we are rather obscuring the main point; we are missing what is mainly wrong with this bill. The thing that is mainly wrong with it is that it divorces the government, the executive, still further from parliamentary control. I suppose one would have to admit that this has been going on down through the years. I have not the time, even if I wanted to take it, to cite some of the things I have seen over the years, but I have seen far too much of this sort of thing since the present Prime Minister came to power.

Some hon. members on the other side may think it is a minor point that ministers no longer have to be in the House five days a week to answer questions, as used to be the case. This was not brought about by a change in the rules. It was not done by consent of the House or by direction from the Chair. It was not done by statute. This was done on the fiat of the Prime Minister, who told his ministers, "Two days a week you do not need to be in the House at all. You are on the roster for three days, and if you are absent, then that is just too bad for the House". We have become used to this proposition, but it is an instance of removing government from the control of Parliament. I have already mentioned our treatment of the estimates. Perhaps we are all to blame; we participated in the changing of the rules. But perhaps we will have to make more changes, because the way the matter stands at present we just do not control the purse-strings at all. Parliament is presented with a fait accompli. True, we can vote yes or no; but with a government majority the vote is always yes, and that is it. We are now presented with a great big appropriations bill that has everything in it from the salaries of our page boys to the huge expenses of the Department of National Defence. All this is in the one item, the good with the bad. How can we vote against the main appropriations bill? The government has extended this principle until, as I say, we no longer have parliamentary control over spending.

There is also the growing practice of introducing omnibus bills. This is demonstrated by the present bill. I hope Your Honour does not mind if I join with others in recalling your phrase about your own raised eyebrows when you saw the bill. The bill has nine different parts and covers a myriad subjects. Not only does it include many items which will make it difficult to know how to vote, but in addition to all the provisions of the bill there are two schedules. A number of items contained in schedule B, in particular, are in themselves little bills that amend statutes here, there and all over the place.

The commissioners who revise our statutes will have a wonderful time when they find that this bill may be cited as something or other and in four or five places says that this part may be cited as another bill. It is a terrible mess. Again let me say that what is wrong with this measure is that it removes parliamentary control of the government. We are given an omnibus document just like the omnibus appropriations bills and we do not get down at all to details.

• (8:30 p.m.)

I agree with the proposition I read in an editorial which appeared in the Ottawa *Journal* during the last week or so about the point of order we debated when this bill was first called. We would be foolish, as Members of Parliament, to go the other way and say that every last item and every last detail must be contained in a separate bill. Surely what we need is a government with a sense of its responsibility to Parliament, one that puts things before us in reasonable proportion. That is not the case with this bill and it is not the case with many pieces of legislation that are brought before us.

We have had all these experiences in respect of the question period, the estimates and omnibus bills of this type. Now we have, in the name of efficiency, in the name of technocracy and in the name of expediency the plea that once and for all we do away with the necessity of the government having to come to Parliament to restructure its affairs. Its affairs are not its affairs; they are Parliament's affairs and they are the affairs of the people of Canada. I think this is very important.

I said when I started that there had been many lively and scintillating speeches today, that I would not try to match that approach but that I was deadly serious, and I am. I do not think it represents good government, I do not think it leads to a good relationship with Parliament, and I do not think it is good for the running of the country for the government to bring in a bill like this which puts the good and the bad together. I refer to the arrangement for public servants who want to retire, coupled with the dictatorial right to push people out in the cold with inadequate pensions whether they want to retire or not. Likewise, I do not think it is good to lessen the control of Parliament over the affairs of government. The members of the government are here for a period of time because the people of Canada put them here by the way they voted. They put them here to run the store. But they do not own it and they should not act the way they are in respect of Bill C-207.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, this bill has already been described in many ways. One of the polite terms applied to it was that it is a grab-bag. I think this description is about as appropriate for this bill as it is for the government's policies as a whole. Here we have a situation where the government is putting forward one or two good proposals and then filling the bill with a lot of junk, much of which is harmful, and attempting to bull it through the House of Commons and Parliament. An indication of the arrogance of the government lies not only in the stuff it piles into the bill but in the fact that so far at least it has not even bothered to reply to the serious and earnest criticisms put forward. The government sits in silence and simply counts upon its troops to force the bill through the House regardless of criticism.

Mr. Bell: The minister is laughing.

Mr. Stanfield: Events that took place in this House this afternoon have again shown how this government intends to act at the cabinet level and how it intends to deal with Parliament and the country. I shall have further comments to make on this matter in the course of my remarks on the bill. Let me remind the government that the mere fact of setting up a structure is no guarantee of effective action. This bill has many faces, some pleasant, some progressive, some that I think represent honest attempts at improvement, but others much less than that. We can, for example, readily support the principle of creating a federal department of the environment. As the hon. member for Winnipeg North Centre (Mr. Knowles) said, virtually every member of the House has been for some time asking for such a department. But structures are no guarantee of effective action.

With regard to pollution, I notice there is no mention in this bill of any mechanism for co-operation between the federal government and the provinces. This would appear to be for the government's convenience; it would seem to be the kind of omission that could serve as an escape-hatch. The Lord knows that this government is making a habit of using escape-hatches these days. At least the first part of the bill dealing with pollution, even though indirectly, does deal with a matter of substance. Pollution control is one of the great challenges facing us, and the creation of a structure which might permit action in this field is certainly of importance.

The hon. member for Winnipeg North Centre spoke this evening about some of the compulsory retirement features of the bill. I thoroughly agree with him that it is nonsense to suggest it is simply reciprocal to allow the government the right to retire a man simply because the man is given the privilege of retiring. The change providing for compulsory retirement hardly seems consistent with the kind of security of career which Parliament has been trying to establish over the years.

As to the provisions of Bill C-207 in general, once we leave pollution and the question of retirement—which was discussed so ably by the hon. member for Winnipeg North Centre—we enter the realm of forms and structures, leaving substance far behind. In this way I think the bill symbolizes the attitude of the government, because it is a government which feels much more at home dealing with structures and forms which it can manipulate than it does in dealing with the substance of problems. This opinion regarding the attitude of the government of the day is not confined to the members of my party. I noticed that the president of the Young Liberals of Canada, speaking generally of Canadian political parties, including his own, in Halifax said that they should spend much less time on structures and more on issues.

He went on to criticize the national Liberal party for being unresponsive to the problem of youth unemployment. If my hon. friends opposite will not listen to me, I hope they will at least heed one of the younger voices within their own party.

We in Canada are faced with the crucial and terrible issue of unemployment. This was emphasized by the president of the Young Liberals of Canada. We are at a time when it is obvious to the people of Canada, even if it is not obvious to this government, that the first priority must be to act promptly to help people, to help dissipate the uncertainty that exists, to act to restore confidence and, in short, to act to get the economy moving again. But what does the government do? It presents us with this kind of bill to restructure the organization of government.

• (8:40 p.m.)

Ever since this government came into power it has been telling us and the Canadian people that it is clearing the decks for action, that it has been clearing the decks for action. Ever since the election of 1968, it has been sweeping away the deadwood and getting itself organized. This is the government which talks about action and about preparing for action, but in terms of effective steps toward economic progress it never gets any further. I say that what needs to be reorganized is not so much the structure of government but, rather, the priorities of this government.

Some hon. Members: Hear, hear!

Mr. Stanfield: The main problem this bill will solve for the government concerns the necessity for this or any other government in the future to come before Parliament with regard to any reorganization of Parliament or any change of parliamentary responsibility. Under the proposals contained in this bill there will no longer be any need to consult Parliament. The hon. member for Winnipeg North Centre emphasized this matter and referred to the emphasis the President of the Treasury Board (Mr. Drury) placed upon the need of the government to come before Parliament on questions of supply. Since I have been in this House, supply has been a farce.

Before the adoption of the recently changed rules even when we were in committee of the whole there was a limit, under the rules, in respect of supply and I observed very quickly that whereas in the legislature where I had been, a minister had to answer questions in order to get his estimates through the House, here a minister could answer a question if he chose but the embarrassing questions were never answered when time was up and supply was voted. So do not let the President of the Treasury Board try to suggest to us on this side of the House that supply will give members of the opposition or the people of the country any meaningful opportunity to check the vast powers the government is seeking in this legislation.

This bill will certainly make things much easier for hon. gentlemen opposite. But I would remind them that what this or any government does in terms of organization is not simply a matter of internal interest to them alone. Whatever measures governments take are of interest to Parliament and to the Canadian people. I am, therefore, totally opposed to any move that would lessen parliamentary supervision which, after all, is one of the major roles of this House.

Some hon. Members: Hear, hear!

Mr. Stanfield: This government already has downgraded Parliament more than enough. I say it is time to cry halt, and we on this side of the House intend to do so. Even before this bill we saw on several occasions the contempt this government has for Parliament and for the people of Canada. The most recent example came to a head today when the Prime Minister (Mr. Trudeau) made it perfectly clear that members of his cabinet, and not the least of them, last week abused the confidence of this House.

Some hon. Members: Shame!

Mr. Stanfield: Last week the President of the Treasury Board and the Acting Prime Minister made statements in this House clearly intended to deny the existence of a secret $2 million government program to hire unemployed Francophone students for the federal civil service. Mr. Speaker, I am not speaking at the moment of the desirability of such a program; I have already declared my support for the principle of attracting more French-speaking Canadians to the federal public service. But I must say I was shocked as I watched a replay of the interview with the President of the Treasury Board when he was first asked about this program and denied its existence or, at least, to be perfectly fair to him, said he could not believe any program would exist that would give any such preference.

I must say, Sir, as I said before, that I have some concern about any element of discrimination in such a program. However, what I am emphasizing tonight is not the substance of this program but the manner in which it was approached and the manner in which it was hidden. I am speaking of the methods used by the government to achieve this goal and the attempts of members of the cabinet to mislead the House.

An hon. Member: Shame!

Mr. Stanfield: I am not interested in verbal quibbling. I do not doubt there was a good deal of verbal cunning displayed last week by various members of the government. But whatever the cunning, whatever the mentally crossed fingers and whatever the intellectual acrobatics by ministers, members of this House and the people of this country were given to understand that all talk of a specific $2 million program was false. That was the impression given, and I believe this was the impression the government or those speaking for the government at the time intended to be given.

Mr. Speaker, the Prime Minister today, outside this House, said that in his review of last week's proceedings

all the opposition questions related to whether or not members of his cabinet had seen the secret memorandum. That is not true. It was the answers of the ministers that related to this point, and not the questions put to the ministers. As if it were not bad enough for ministers of the Crown to use these tactics for purposes of evasion, the Prime Minister himself now contributes further to the smokescreen with his statement of today. What needs reorganizing is this government's approach to integrity.

Some hon. Members: Hear, hear!

Mr. Stanfield: In this bill the government proposes the creation of up to five ministers of state who will be responsible from time to time for dealing with special situations as they arise. In other words, I suppose we can say that these will be ministers of state for contingencies. From the way in which this government handles contingencies, they could probably more aptly be called ministers of the status quo; their main role undoubtedly will be to maintain the status quo in the face of any situations which arise. It is a measure of the government's foresight that it is able to foretell that there will never be more than five extraordinary situations at a time which will demand the undivided attention of a minister. Never fear, however, because there will still be ordinary ministers of state and ministers without portfolio constantly on the watch for trouble from any direction—trouble, that is, for the government and its image.

Under the new system this will be an awesome government in size if in nothing else. There will be superministers. There will be first-class, second-class ministers and subministers; and I have not even mentioned the Parliamentary Secretaries yet. In sheer quantitative terms this will surely be a government to remember. This will be a multi-tiered government, and we shall all shed a few tears when we think of what it will cost the Canadian taxpayers who will have to pay the bonus of additional cabinet salaries to support it.

• (8:50 p.m.)

But in government and elsewhere it is not sheer bigness that solves problems. Evidently, however, there are more important things for this government than solving problems—jobs for the boys, for example. We know, or at least we hear, that there has been some resentment among hon. members opposite about parliamentary secretaryships. I suppose the sort of proposal contained in this bill is one solution to that kind of problem. Independent observers have calculated that under the proposals in this bill, during a normal four-year parliamentary term no fewer than 138 members on the government side of the House could be patronized in one way or another. That is something we would have to call a bonanza for obedient backbenchers. Mr. Speaker, there are more important things to do in this country today than to work out systems of parliamentary patronage for government members.

What needs re-organizing is the government's approach to appropriate action for these times. Whether the government realizes it or not, the use of the pork-barrel by government is no longer acceptable in Canadian politics.

Some hon. Members: Hear, hear!

Mr. Stanfield: What does this bill do about the legitimate, the real, the urgent problems of the Canadian people? For example, what does it do about mass unemployment? The answer is, nothing. I call on the government to face up to its responsibilities to the Canadian people. I call on this government to take immediate action to meet the grave economic problems that face us. I call on this government to act now to get the economy moving ahead vigorously. That is the challenge this House must face. The Canadian people are fed up with waiting. They are fed up with constant organization and reorganization that leads nowhere. They are fed up with sterile structure-building, of which the present bill in many of its aspects is another example. They are fed up with confusion, with incompetence and with evasion. They want action now.

What needs re-organization is the government of this country and I am confident that when they get the chance, the Canadian people will look after that.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am happy to have the opportunity to express my views on the bill before us, especially as regards new departments.

I heard the hon. member for Winnipeg North Centre (Mr. Knowles) saying a few minutes ago that he did not think any member would oppose this bill. I beg to differ on this point because ever since we have been here, we have been flooded with new departments and the situation has not improved for that.

The problem of the pension plan mentioned by the member for Winnipeg North Centre will not be settled by way of new ministries. This has not put a single penny into anybody's pocket, quite the contrary, this has resulted in the country sinking deeper into debt, in citizens being taxed more heavily and having to carry a heavier burden.

The government reaches abundantly into the taxpayer's income to establish new departments, in order to determine whether there are any problems in Canada. We know the problems, we know that the smell is bad in Canada, that pollution is everywhere, we know that the departments are polluted and that our leaders have pollution in their heads.

The situation is not settled; on the contrary, the problem is getting worse. We know what is to be done in Canada. The provinces know what they have to do to deal with pollution. The municipalities know that they must build filtration plants, but they have no money to do so. Is a new department going to solve the problem?

It is up to the Minister of Finance to solve the problem, with all the other people responsible for it. It is up to us

to solve this problem which is essentially a matter of economy rather than of pollution.

Everybody knows that the engineers, the materials and the technical facilities of all sorts needed to fight pollution are available; but it is also a fact that it is impossible to find the money needed for that purpose.

This is the aspect of the problem that has to be dealt with in order to be in a position to set things right and get rid of all these obnoxious problems.

In fact, the problems are nothing new; they have existed for a long time. Pollution has been a subject of discussion in this House for years but very seldom have we taken effective control measures.

This government should provide the required credits at reasonable interest rates and finance these projects while entrusting their implementation to the provinces and the municipalities which would readily assume their responsibilities.

• (9:00 p.m.)

That, Mr. Speaker, is where we should turn for a solution to the economic problem we have long been studying. We never solved it, we always went on polluting. As time passes, there is more and more stench, more and more pollution, the debts and the taxes of citizens increase: one tax after another, one levy after another, to pay administration expenses of departments which have never solved anything. There are enough people idle in the Department of Finance. If they are capable of doing something, they are unable to do so because the Minister of Finance (Mr. Benson) does not meet the wishes and requests of other departments.

If we want to give the matter serious consideration, as men who know what they have to do and where they are going, we will find the solution.

Mr. Speaker, once more it is the financial system which is old-fashioned, which is extremely polluted and more and more governments are granting powers to financiers who further pollute our economy.

Our present system is good for a small group of people who get rich at the expense of the rest. When one considers capitalization one sees that the big institutions are building up reserve funds, all kinds of reserve funds, secret and semisecret. They try to disguise their maneuvres. Indeed they have put in billions and do not want to let one cent out because their investments yield interests of 10, 12, 15 or 20 per cent. This is exploitation of the people and administration is so carried out as to keep that pollution, that exploitation which kills all citizens and makes all people equal, except the small number who benefit from this. This is where the problem lies and as long as it remains unsolved, it is useless to create new departments.

Mr. Speaker, everyone is complaining about pollution, air pollution, water pollution, food and soil pollution, intellectual and sexual pollution, educational pollution and finally, spiritual pollution. Everything is polluted.

Let us say that there is a little truth in all that, but also a lot of fake. The only pollution that ought to be feared, Mr. Speaker, is that of the mind, of the intelli-

gence, and particularly, the pollution of ministers' intelligence, they who control the Canadian economy, who have control over persons, families, corporations, in short over all components of our country.

I say once again that the greatest pollution, the one which creates the greatest unrest in this country, is the pollution of minds, which is the source of all pollution to be seen in nature. Let us look at it more closely.

In January 1971, an article published in Montreal's *La Presse* dealt with pollution. The Chairman of the Bank of Montreal, one of the most influential figures in the Canadian economy for years, the one who perhaps knows it best, the director of several large Canadian companies, cautioned the public against hasty adoption of our ill-advised legislation. In fact, this is what he said, and I quote:

Canadians will have to give up affluence to pay the cost of fighting pollution.

Yes, Mr. Speaker, we shall have to tighten our belts a little more in front of this enormous affluence, this tremendous technical progress while refraining from touching this affluence in order to solve the problem of pollution.

If we are able today to get to the moon to find out if grass grows on it, we are surely able to solve the pollution problem which is far from being comparable to a trip to the moon.

Big words are always needed to focus public attention on imaginary problems and prevent the people from enjoying the benefits of their production.

In Canada, there is talk about inflation, about unemployment, and about poverty. There is also talk about pollution, to bore the people with imaginary problems, with the bogey-men who scare children, while millionaires, multimillionaires, presidents, directors and shareholders of large banks and corporations gorge themselves and grow fatter every year reaping 40 per cent of what is left of the production of all Canadian citizens.

Mr. Speaker, the main government departments here in Ottawa are docile puppets putting on a show for a Parliament which is dumbfounded by pollution. Their ignorance, pretended or real, is reported in all the papers the next day and the public is kept uninformed on possible administrative reforms. Yet it would suffice to reinstate a favourable national economic balance for the benefit of all Canadian citizens without exception.

This is where we must intervene, Mr. Speaker. It is in the human and economic field that we must labour with the human being as the foundation of our endeavours so that all Canadians may benefit by this immense progress.

I feel that if Canadians have been capable of polluting themselves, they are indeed capable of depolluting themselves.

The President of the Bank of Montreal, Mr. Arnold Hart, director of several of the most important companies in Canada, recommended, in an article which was published in *La Presse* of January 26, 1971, that we forgo affluence to pay the cost of pollution, and cautioned us against passing ill-advised legislation. And all members

agree with him and say that we must tighten our belts in the midst of affluence, when we do not know what to do with such affluence, when we can afford to pay unemployment insurance benefits to close to two thirds of the people, at the expense of those still working, without touching however those who accumulate millions taken from the workers who pay for those who are unemployed.

Despite all that, in 1970, we succeeded in capitalizing a surplus of about $34 billion. Certainly, there are materials to solve the problem of pollution. They are not lacking. Nobody here is afraid of not having enough materials to clean up pollution.

The government has no engineers, it does not have the technology required to solve this problem, but all members fear that the financial means may not be sufficient.

If it is physically possible to build a country, to accumulate surpluses, it is certainly easy and physically feasible to finance the economy when it is prosperous and when there is affluence everywhere. Workers are laid off because there are too many products. There are even huge stocks.

We must therefore assume our responsibilities. The establishment of a new department with very little funds will not solve the problem. Taxes will have to be increased to create new worries for taxpayers. They will be told: Pay more; empty your pocket; you have not done enough yet. As for us we will continue to ask for more. Happen what may, the problem of pollution will continue to exist. Our environment will become so much polluted that we will be crushed by pollution.

• (9:10 p.m.)

Recently, Mr. G. Arnold Hart stated and I quote:

> All of us create some pollution and we must all pay the cost, either by accepting an increase in prices or in taxes, or by forgoing certain goods which seem very desirable, or by putting up with the unemployment caused by the closing of industries incapable of complying with new standards.

What will the new department demand in order to solve the problem of pollution? We might be compelled to close 25 or 30 per cent of existing industries for that purpose.

The means suggested are poverty, hunger and hardship. Everything is extremely polluted. This is the main problem we have to cope with.

Long enough has it been smelly in our country and our departments; let us spray some perfume in there and allow Canadian citizens to freely enjoy pure air, abundance, and additional well-being in this affluent country where there is everything necessary to organize sound economy and plentiful production, and purify our water resources.

First of all, we must cleanse our already polluted minds, bent on remaining in their present condition. Some people put their noses on manure and think it sells good. I, for one, consider that it does not smell good. I am unable to get used to it.

Since other hon. members have dealt with the technical aspects of pollution, I shall not mention them. However, I should like to ask the government to put aside its policy for the creation of these many departments which will prove unable to settle anything whatsoever.

The government has only thing to do, namely put the financial system at the disposal of the provinces and municipalities. They should be allowed to discharge their responsibilities. The government must look after financial matters, and forget about the rest. The departments have nothing to do in that connection, because the municipalities and the provinces are able to fully and totally discharge their responsibilities. They know what they want and where they are heading, but they have no money. It belongs to the federal government to provide the provinces and municipalities with the necessary tools to enable them to do the job. As Churchill said during the last war: "Give us the tools and we will do the job." Tools must be given to the provinces and municipalities, and they will do the job. The government should not bother about the rest.

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, may I ask the hon. member a question?

Mr. Speaker: The hon. member wishes to put a question to the hon. member for Compton (Mr. Latulippe) before he sits down, if the hon. member for Compton is ready to answer a question.

Mr. Latulippe: Yes, Mr. Speaker.

Mr. Speaker: The hon. member for Bonaventure.

Mr. Béchard: The hon. member said a few moments ago that everybody knew the extent of pollution and that everybody knew this and that and those, and that the government was responsible for action in this field. He finished his speech by saying: Give us the tools and we will do the job.

Does the hon. member know that for some time the Central Mortgage and Housing Corporation has been helping municipalities to fight pollution by granting loans for building sewage treatment plants and that the corporation is lending substantial amounts of money and does he know that municipalities recognize this fact?

Mr. Latulippe: I have known this for a long time, but if adequate action had been taken, pollution would have been checked, at least partly. But the situation is worse than ever. It is not by lending money to municipalities at interest rates of 8, 10 or 12 per cent that the problem will be solved. Higher interest rates mean more trouble for municipalities. The deeper they get into debt, the more difficulty they will have to get out of it. They get bogged deeper and deeper.

[*English*]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I have listened with considerable attention and a great deal of interest—

An hon. Member: It's the first time.

Mr. Drury: I would be pleased if hon. members would do the same.

Mr. Speaker: Order please. I apologize to the minister; I should have brought to the attention of the House that if the minister speaks now, he will close the debate.

Mr. Drury: I think it might be useful, before the government organization bill goes to committee of the whole for examination, if I reviewed some of the principal issues which have been raised, in the hope that I will be able to answer some of the questions of principle involved and clear up some of the misunderstandings about what is admittedly a complex bill. In this way I hope the discussion in committee of the whole will be facilitated for all concerned. I do not intend to go into detail in my remarks because there will be ample opportunity to consider the details of the bill in committee of the whole.

It will be recalled that at the outset of this debate some hon. members wondered whether it was correct procedure to include in one bill several matters of principle. After some discussion, Your Honour ruled that there was no procedural impropriety in the introduction of Bill C-207. I clearly do not want to open the issue on which Your Honour made a ruling, but I think I should explain the view of the government on the need and desirability of government organization bills. Adjustments in the machinery of government have been considerably more frequent in the past ten years than in bygone years, because of the accelerated rate at which demands upon the government have grown. In moving second reading of Bill C-207 I explained that as demands on the government have grown, new responsibilities have had to be tagged on to ministers already overloaded, and transfers of powers and elements of the public service have had to be made in a patchwork manner in an attempt to keep up with these demands.

The introduction of bills relating to the organization of government has not only permitted new adjustments in the machinery of government but also a consolidation of many of the adjustments which had to be made on an urgent basis to meet demands at an earlier time and requiring immediate action. Government organization bills, therefore, provide Parliament with a broad and unique perspective of the nature and scope of many of the issues relating to the function of the machinery of government that cannot be provided if organizational measures are introduced on a piecemeal or single-thought basis. There is also the related consideration that certain statutes such as the Salaries Act and the Financial Administration Act generally have to be amended in the course of reorganization of government. The amendment of these statutes often relates, as it does in the case of Bill C-207, to several parts of the bill, hence the logic of bringing them together in a single bill.

No government organization bill is a complete picture of all the implications of changes in the machinery of government, but it gives a much clearer picture than if the government were to submit for the approval of Parliament individual proposals for changing the organization of government. Of course, this may have to be done from time to time, but in such circumstances Parliament cannot be given as clear a view of the context of these changes as when a government organization bill is introduced. I will come back to this point later.

Several hon. members said they could see no connection between the provisions of Bill C-207 relating to the early retirement of public servants and to government organization. However, in my view perhaps nothing is more important for proper functioning in respect of government organization than good personnel and, hence, good personnel policies. The provision in the government organization bill pertaining to early retirement is an important basis for personnel policy consistent with trends elsewhere in Canada.

Before making a few brief comments on questions that were raised regarding the establishment of a department of the environment, I wish to commend hon. members who spoke on this part of the bill for the insight and understanding they displayed on the problems of environmental quality and pollution. I was particularly impressed with the observations of several members. In the final analysis, the quality of our environment will depend upon the values of our society. If our society is to be characterized by high consumption and the consequent creation of uncontrolled and vast amounts of waste, a lack of concern for aesthetics, and so on, we will never effectively come to grips with the fight against pollution and the fight for preservation of our environment. However, from an organizational point of view the implication of this observation is that in the final analysis a minister of the environment must be concerned with the quality of life. There is no doubt he will share this concern with us all. This gets to the essence of the question.

Every minister, and indeed all of us, must be concerned about the quality of life and the condition of our environment. However, the government organization bill provides that one minister will have, in addition to having specific responsibilities relating to renewable resources, air, soil and water, a general watching brief on the quality of our environment. He will naturally be concerned, for example, if oil from ships pollutes our waters. But it will not necessarily be his responsibility to lay down specifications for the construction of ships and for rules regarding their navigation so as to avoid oil spills. This is appropriately a responsibility of the Minister of Transport. In other words, the department of the environment, as the Prime Minister (Mr. Trudeau) pointed out to this House some months ago, will not be a superagency with all the operating responsibilities relating to environmental quality and pollution control which are the proper concern of the government of Canada. It will, however, provide the focal point for environmental policy.

• (9:20 p.m.)

Hon. members have proposed that the administration of our national parks and other activities related to environmental concern should be made the responsibility of

the new minister. There is no doubt that many of these suggestions have a good deal of logic. However, in the case of the national parks, their primary purpose is recreational rather than ecological and this makes it currently appropriate to let parks and parks policy remain the responsibility of a minister who would have more time to devote to this important area.

Another point I wished to refer to was the suggestion that, in effect, a department of the environment already exists in the newly expanded Department of Fisheries and Forestry and that provisions in the government organization bill relating to the department of the environment were of little significance. I think this is a rather superficial reading, particularly of clause 5 of the government organization bill. Clause 5 not only confirms the transfer of responsibilities made by virtue of Order in Council P.C.1970-2047 pursuant to the Public Service Rearrangement and Transfer of Duties Act, but gives the minister a broad, residual responsibility relating to environmental quality. It is important to note that the responsibilities of a minister are not simply to administer the legislation which has been assigned to him; ministers' responsibilities are much more vast than that.

The department of the environment cannot be a "department of everything". Acknowledging that it might be desirable for a minister of the environment to exercise a great variety of responsibilities, all of which impinge in some way on the environment, one must at some point make a judgment as to precisely what responsibilities he must have, to be effective. In the case of the national parks, the act and long-standing policy dedicates them for the "benefit, education and enjoyment of all Canadians". Thus, while environmental concerns rank high in the administration of national parks, it is not essential at this time for the minister of the environment to have control of their administration to lead the fight against pollution and for the enhancement of environmental quality. Indeed, it is largely because of the excellence of parks administration, and the careful attention paid to conservation and environmental concerns in the pursuit of their primary objective, that it was decided not to transfer them to the new department. Close co-ordination of policies on the one hand and policies related to the environment on the other will, however, be ensured and the ministers and officials concerned have already begun in this regard.

Statutory authority of ministers can never hope to cover all the matters with which they must be concerned. Partly for this reason, clause 5 provides that the duties, powers and functions of the minister of the environment "extend to and include all matters over which the Parliament of Canada has jurisdiction, not by law assigned to any other department, branch or agency of the Government of Canada relating to," and then there follows a specific enumeration which includes, "the protection and enhancement of the quality of the natural environment, including water, air and soil quality". In other words, the responsibilities of the minister as outlined in the government reorganization bill go well beyond the responsibilities transferred to him him by the order in council I have mentioned. It will be the responsibility of the minister of the environment to be concerned with any matters relating to the quality of the environment. What specific action the government takes is another matter. It may be that the minister himself will have to take on new and additional responsibilities, or it may mean that one of his colleagues will be asked to do so. If these new responsibilities require statutory authority then, of course, parliamentary approval will be sought.

The final point I would like to raise with respect to the department of the environment is the question of what is going to happen to the Department of Fisheries and Forestry. Several hon. members have expressed their concern over this matter and have suggested that fisheries matters will be given a low priority with the creation of the new department. This is a completely unwarranted assumption. Some hon. members suggested that the fishery service would be swallowed-up in the new organization. The fear was also expressed that the proposed minister of the environment would not have the time to devote to fisheries matters. These fears are understandable and pose a challenge to the new minister. However, the circumstances also offer considerable advantage to those renewable resource programs in the new department.

One of the most troublesome aspects today in all renewable resource program areas in the threat of pollution. At both the provincial and federal levels, ministers responsible for renewable resource programs are being plagued by pollution threats affecting land, sea and air. By being able to influence directly the management of both renewable resource programs, such as fisheries development, and all those polluting influences that threaten these life-sustaining resources, the minister will be in a good position to safeguard the quality of the habitat of marine life. Undoubtedly, the new minister will face a major management challenge in his new department. However, the size and complexity of this new agency is not such that it stands in a class by itself. I am confident that the Canadian fishery service will benefit greatly as a vital component of the new department. It will be clearly identified and sufficiently autonomous to guarantee an increased rather than a decreased vitality in fisheries development in this country.

In my view, some of the most important observations on the government organization bill were those relating to ministers and ministries of state. One observation frequently made was that the executive was being aggrandized at the expense of Parliament, and such remarks were often accompanied by suggestions that parliamentary committees should be strengthened. As I mentioned in my earlier speech, a fundamental reason for establishing ministers and ministries of state is to strengthen Parliament by enhancing the accountability of ministers to this House. In essence, the provisions of Bill C-207 relating to ministers and ministries of state will serve to sharpen the focus of responsibility as between ministers and hence will facilitate their accountability to Parliament.

This government, then, accepts fully the premise that Parliament, and this House in particular, should be

strengthened as an institution. It may well be that one of the ways in which Parliament can be strengthened would be by reviewing the role of parliamentary committees to determine whether we should go even further than we have in strengthening them. I think we should allow ourselves time to reflect on the changes we have made so far, before going further, but we should clearly not ignore this question. In any event, the role of parliamentary committees is not a matter to be included in a government organization bill; it is a matter for this House and for Parliament in general. There can be no doubt that every Member of Parliament should be able to play a meaningful role in this institution and to take his job seriously, but in most respects what is done in this regard requires no special legislative authority.

The point was made that the manner in which ministries of state are to be established will, in fact, reduce Parliament's control over the executive. As I observed in my remarks when I opened this debate, it has been the custom in Canada, unlike in Great Britain, to have departments of government established by legislation. Ministries of state, however, will not be departments. They will not usually have any significant operational responsibilities. In other words, they will not manage programs. They will be relatively small in size and in most instances of a temporary nature. Their fundamental purpose will be to enable the government to assign responsibility to a minister for the development of policy in an area where the development of such policy is urgently required, and to equip him with suitable staff resources to discharge this responsibility.

• (9:30 p.m.)

If in addition to obtaining parliamentary approval of the budget of a ministry of state, the government also had to obtain prior approval for the very existence of a ministry of state, the fundamental purpose of quick response to urgent problems would, I submit, be completely lost. I do not think there is anything unreasonable in this proposal. Indeed, an arrangement of this kind is clearly essential in any modern government. I believe the hon. member for Selkirk (Mr. Rowland) was particularly concerned about this matter and it surprised me somewhat that he should appear to be unaware of the legislation that has been enacted in his home province to give the executive virtually unlimited authority, without recourse to legislation, to organize itself as it sees fit. The authority obtained recently by the Manitoba government in this regard is far more sweeping than the authority currently being sought by this government.

With your permission, Mr. Speaker, I should like to quote from one section of Manitoba's Executive Government Organization Act to illustrate the extraordinary nature of the powers of the Lieutenant Governor in Council in respect of government organization in that province. I quote:

> Notwithstanding any act of the legislature the Lieutenant Governor in Council may determine the organization of executive government and of the various departments thereof, and for that purpose may
>
> (a) establish, vary, or disestablish any department;
>
> (b) determine or vary the duties and functions of any department and transfer any duties and functions from one department to another;
>
> (c) determine or change the name of any department.

Although the legislation passed by the Manitoba government, where the hon. member for Selkirk was only recently executive assistant to the Premier, is clearly very far reaching, several other provinces have legislation that gives the Lieutenant Governor in Council far greater flexibility to organize machinery of government than is the case at the present time with the Governor in Council. Concluding my observation on this part of the bill, Mr. Speaker, if one has any doubt whether the potential number of cabinet ministers and Parliamentary Secretaries in Canada would be excessive after the enactment of Bill C-207, I would refer them to the situation in the United Kingdom where the total number of ministers, both of the cabinet and not of the cabinet, and parliamentary assistants is vastly greater than what is proposed here.

Mr. Lambert (Edmonton West): Surely that is a completely different situation.

Mr. Drury: In conclusion, let me revert to part VII of the bill relating to early retirement, to which the hon. member for Winnipeg North Centre (Mr. Knowles) made special reference. Hon. members will appreciate, I hope, that deputy heads—that is, deputy heads and chief executive officers of boards, commissions, corporations and other portions of the public service who are appointed by the Governor in Council—by the very nature of their appointments do not and should not enjoy security of tenure of office. In view of the lack of safeguards regarding tenure of office which are enjoyed by the great majority of public service employees, the government concluded that the least that could be done was to ensure that the pension prospects and related benefit protection should not be abruptly curtailed but should be extendable to age 60 if the retiring deputy head so desired.

The purpose of new section 11A of the Public Service Superannuation Act is to make it possible for a deputy head to continue to be a contributor under the Public Service Superannuation Act if, after ceasing to hold that office, he does not continue to be employed in the public service of Canada until attaining the age of 60. The ordinary public service employee who is given leave of absence to go on assignment with international organizations or to serve on a full-time basis with staff associations, for example, is permitted to continue to contribute under the Public Service Superannuation Act by paying both his own and the government's matching contribution to the superannuation account, presently 14 per cent of his last salary.

This is what is intended under this legislation when a former deputy head has elected to continue to contribute in accordance with its provisions. On making his election, he will indicate if he wants to continue to do so up to age 60, but it will be open to him to terminate that arrangement earlier if he so desires. The new regulations con-

templated by this legislation will be of general application and not open to individual discrimination. However, it might well be that his combination of age and service would make it possible for him to request the application of the early retirement provisions proposed in the previous section of this bill. This would also be possible.

Finally, I should like to deal with a point made by some hon. members, more particularly by the hon. member for Winnipeg North Centre, who argued that the passage of this bill would represent the final abdication of control by Parliament over the executive. I suggest that perhaps this is rather too apocalyptic in view of what is a sensible bill. The hon. member has failed to take into account the real essence of what really should be parliamentary control. It should be based on knowledge and on ability to apply knowledge as a process of control, rather than merely a dead hand based or founded on ignorance. To meet this objective the government has proposed a number of measures that are designed specifically to place in the hands of Parliament more knowledge and information than has ever been the case in the past. There has been provided to Parliament—I think the hon. member for Winnipeg North Centre agreed with this—a new and much more illuminating form of estimates, so that now out of the estimates it is possible to get information whereas in the past one merely got a series of numbers.

There has also been provided to both sides of the House sources of research for the provision of more knowledge and information to members. I think all hon. members will agree that this is a step in the right direction. But acknowledgement should be had of these steps when setting them against endeavours on the part of the government to increase its accountability to Parliament; and it is in terms of accountability that real, effective control can be exercised.

There is one further point I should deal with, Mr. Speaker. The hon. member for Winnipeg North Centre expressed the view that with the disappearance of the committee of supply, control over the estimates was thereby effectively lost. I have had some experience in committee of supply, and it was quite clear that this was a control based not on knowledge or intelligence but on an erosion of the respective wills of members on either side of the House. With a system for reference of adequate estimates for study in detail to a much greater extent than is possible in an examination of estimates in the Nova Scotia Legislature for instance, I think we have enhanced and will continue to enhance the kind of framework in which Members of Parliament and Parliament itself, through knowledge, can establish effective control over the executive. This is the kind of control which is needed, desirable and appropriate. It will be control based on knowledge and real information rather than on cumbersome procedures which merely delay rather than control.

• (9:40 p.m.)

I hope hon. members will recognize the steps which have been taken and accept the fact that the government will welcome, as I have indicated, further steps in this direction.

Mr. Lambert (Edmonton West): Mr. Speaker, I should like to ask the minister a question about one of the fundamental points I raised yesterday, with which he has failed to deal. It relates to the ability of the Governor in Council to transfer funds allocated in an appropriation bill for a certain purpose to another function, such as a ministry of state. This apparently may be done by order in council. I have in mind the effects of clause 16.

Can the minister tell me what effective control Parliament will have, having in mind knowledge of order in council and what can be done by Parliament? Will he explain how he can reconcile this attempt to transfer funds, if that is to be the case, with the requirements and regulations contained in the BNA Act, the Financial Administration Act and appropriation bills?

Mr. Drury: Mr. Speaker, I do not know how to get around the BNA Act, the Financial Administration Act or appropriation bills.

An hon. Member: You just don't know how to get around much any more.

Mr. Drury: The government is not proposing a technique to do this. The hon. gentleman who asked the question is aware of the existence and operation of the Public Service Rearrangement and Transfer of Duties Act. I think he will find that clause 16 provides no greater extension of powers than is contained in that act, and we have lived with it for many years.

In so far as the transfer of funds is concerned, Parliament does appropriate moneys for specific purposes and programs, and the executive does not have the right, nor does it seek it, without the approval of Parliament to transfer funds voted for one program to another program. In view of the act to which I have just referred, all clause 16 will allow is that the agency administering or directing the program may be transferred from the authority of one minister to another. The purpose for which the money has been voted cannot be changed without subsequent authority of Parliament.

Mr. Lambert (Edmonton West): I have a further question, Mr. Speaker.

Mr. Deputy Speaker: Order, please. The minister still has some time left. I do not want to prevent hon. members asking questions, but I respectfully point out that such questions might appropriately be asked at the next stage of our proceedings. However, I will recognize the hon. member for Edmonton West.

Mr. Lambert (Edmonton West): With the greatest deference, Your Honour, I think an hon. member should be allowed to decide whether a question is appropriate at this or at the next stage.

Some hon. Members: Oh, oh!

Mr. Lambert (Edmonton West): Mr. Speaker, I ask the minister whether his thinking is that we would have to follow the procedure he has suggested, in view of clause 29 of this bill. Apparently this House is being asked to give permission to have funds allocated to an agency, along with its duties, transferred to the minister of the environment or reallocated to that department when and as the Governor in Council may decide. I suggest that the ruling of the Chair last year in connection with Bill S-3 absolutely precludes such transfer. Perhaps the minister would explain clause 29 to the House in order that we may better understand the thinking of the government.

Mr. Drury: I must confess that I did not understand the entire question, particularly the reference to Bill S-3. When we come to clause 29 I will endeavour to deal with it.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

Some hon. Members: On division.

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

The Chairman: Hon. members may agree that since clauses 1 and 2 are short title clauses, in accordance with section 1 of Standing Order 75 the committee should now proceed to the consideration of clause 3 of the bill. Is this agreed?

Some hon. Members: Agreed.

On clause 3—*Department of the Environment—Department established.*

Mr. McCleave: Mr. Chairman, I think the course adopted is technically correct, but I think it also points out the dilemma I referred to earlier when I raised the point of order that a bill having so many things in it would be extremely difficult for the House to consider and, now, for this committee to consider. Let me now deal with the division we face in respect of the creation of the department of the environment. I will do so on the presumption that the discussion will be on the clause the Chair has called.

It is difficult to deal with some of the points raised by the President of the Treasury Board at this time while they are fresh in the public's mind. If we had a regular clause 1 debate we might be able to impress these points on the minds of the members of the press gallery who are present. For one thing, Sir, to confuse a unitarian government such as exists in the United Kingdom with a federal system such as we have in Canada is like trying to equate oranges—I hate to say this about the Canadian government—with lemons.

• (9:50 p.m.)

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. McCleave: Mr. Chairman, obviously that was a fitting remark in a debate such as this. After all, the original scenario comes from the gang responsible for having horses on the payroll, and now we have the great sequel—the Grits will have their own gravy train. This is the best I can do this evening, but I advise the Minister of Consumer and Corporate Affairs that my best this evening eclipses anything the minister has been able to do for a number of years.

The point I want to make about this clause arises from a problem that has hit pretty hard the fishing industry in my province and which I presume will be hitting other industries as the department of the environment swings into operation. The problem has been presented to the House by the hon. member for South Shore and the hon. member for South Western Nova. It concerns the fact that because of mercury pollution, the swordfish industry in eastern Canada has been pretty well laid flat on its back. When questions are raised in the House, the minister points out that some assistance will be given in the way of retraining these fishermen, I presume to catch other types of fish, and that an effort will be made to find employment for them in other directions.

This may seem to be the solution to a substantial problem, but I suggest it ignores two very fundamental facts. I bring these to the attention of the President of the Treasury Board, his colleague from Nova Scotia who is with him, and the new minister of the environment. First, I would point out that these people have lost their livelihood through no fault of their own. They had nothing to do, except in a very small and inconsequential way, with any mercury pollution of the swordfishery. So they have by happenstance come upon this problem.

The serious thing is that nothing that has been suggested as a remedy takes into account the fact that swordfishing boats are of a specific types; they are large and have their own special equipment. In short, they represent a substantial capital investment. The people who are thrown out of the swordfishery are to be given some help through retraining and the like, but this would not seem to be as helpful as other methods might be. Through no fault of their own they are in very serious difficulty.

I think in committee we might give consideration to the problem of what happens when pollution controls, standards and measurements have the effect of taking dozens or hundreds of people and suddenly knocking them out of work and placing them in the position of

having to ask for help from everybody else. I do not quarrel with the idea of giving them help, but so many people are asking for it now that it is becoming a serious problem because our resources are stretched thin. However, we can see this happening to people involved in swordfishing. We can see it happening, after hearing the statement of the minister, to people working in paper plants. It could also happen when we become involved in the purification of our air. It could happen to any number of plants, I suggest, that are now polluting the atmosphere, particularly in cities such as Toronto and Montreal.

So we have a question of principle here. I do not think it has been raised so far in this debate. It is coming up to ten o'clock, and although I do not believe we will have an answer to this question tonight I thought it important enough to be raised at the earliest opportunity. I refer specifically to the swordfishery, but also generally to people who through no fault of their own will find themselves in the same situation. I hope the President of the Treasury Board, when he is considering with his colleagues the points we have raised in the debate and those we will raise in the next day or so, will give some consideration to the problem I have raised on behalf of the people in the swordfishing industry of Nova Scotia.

The Chairman: Shall Clause 3 carry?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Harding: Mr. Chairman, it is about half a minute to ten o'clock. If it is desired that I continue until ten o'clock, that is fine with me. We are on clause 3 of the bill, which is to set up the department of the environment. There are several points I should like to raise in this connection. The first is that if we are to establish a department of the environment, why do we not cover the whole environmental field instead of just one small portion of it? This is one of the basic points I should like to leave with the government and the minister who will be in charge of this new department.

An hon. Member: Ten o'clock.

Progress reported.

* * *

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, perhaps before we proceed to the adjournment debate the House Leader would indicate, for the benefit of all members, the program the government anticipates placing before the House for the remainder of this week or for as long as he can announce it.

Mr. MacEachen: Mr. Speaker, tomorrow we propose to continue with committee of the whole stage of the government organization bill, and following that the CDC bill and the bail reform bill. If it is possible to slip in other items between these, we will call the Export Development Act bill, the omnibus loans bill, the Canada-New Zealand trade agreement bill and the Canada-Jamaica tax agreement bill.

• (10:00 p.m.)

Mr. Knowles (Winnipeg North Centre): Just to be realistic about the matter, can the President of the Privy Council tell us if it is the intention to stay in committee of the whole until we finish this bill, particularly if it continues through Thursday and Friday of this week?

Mr. MacEachen: Yes, Mr. Speaker, it would be the present plan to continue with this bill until we complete it, but I thought the Acting House Leader of the official opposition asked about more than the present bill and inquired what would come after it.

Mr. MacLean: That is right. But am I correct in assuming the House Leader means that the present bill will not be interrupted to consider the CDC bill, that is, before committee of the whole stage is finished?

Mr. MacEachen: That is the plan. But if the bill were kept in committee of the whole for an unduly long period, it might be necessary to revise the schedule.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

AIR TRANSPORT—MANITOBA—RESTORATION OF CLASS A REGIONAL SERVICE

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, last week I asked two questions for the purpose of clarifying the government's regional air policy. I have been encouraged to pursue the matter at this time because in his reply the Minister of Transport (Mr. Jamieson) indicated that so far as the regional air policy affecting western Manitoba and eastern Saskatchewan is concerned, it is under review and it is anticipated that there will be an upgrading of this service along the lines that existed from the time it was first inaugurated in the early part of the 1950s.

It is just a year ago that the ATC authorized the downgrading of this part of the regional air service affecting western Manitoba and eastern Saskatchewan. At that time the link provided for under the charter of the air company authorized to perform this service, TransAir, was discontinued between Winnipeg, Brandon and Regina. Since that time there has been a further downgrading and TransAir is no longer providing daily air service between Winnipeg and Regina.

Now that the minister and the department are in the throes of reconsideration, I raise the matter to review briefly the vital importance of regional air policy to the general program of regional economic development in all parts of Canada. We have been passing through a communications and transportation revolution. Railway ser-

vice is disappearing rapidly, and the end of that process is not yet in sight. To compensate for the loss of adequate rail service, the regional air policy was inaugurated. In the initial stages it was provided in this region by Trans-Canada Air Lines, later Air Canada. Then around 1960 Air Canada authorized TransAir to carry on this service with a subsidy or service development grant. In one respect Air Canada is still obligated to provide this service because in the first instance it was merely a lease arrangement.

The real crisis came when the government withdrew the subsidy from TransAir in 1968. As a result of that loss of support the private carrier applied to withdraw from several of its route obligations, with the results that I have already indicated. It is obvious, if you trace the development of this service over the past 15 years, that the Department of Transport intended that this part of Canada, along with other parts, should be provided with adequate air service. A considerable sum of money, up to $2 million, has been spent on a new runway. A new terminal building costing $200,000 was completed just one year ago to provide for a constantly improving service. This new terminal, of course, will stand derelict until a reasonable and just solution can be reached by the minister and there is restoration of an adequate service that is so urgently needed.

I think it is essential for the minister to recognize, as he considers this problem, that until traffic has been built up on this western lateral of the TransAir service, a subsidy or grant in aid ought to be made available. This would not be the only air service in Canada that is subsidized. I have figures before me relating to the early part of the 1960s and showing that Air Canada service is subsidized to many points in Canada. For example, the Toronto-Ottawa-Montreal run was subsidized to the tune of $2.25 million. The Air Canada Montreal-Atlantic region run was subsidized to the tune of $2.5 million. So this would not be an isolated instance of subsidy. If granted, it would be recognition of the fact that in this day and age adequate air service is necessary for industrial progress and development.

I wish to mention another aspect of the problem. One reason TransAir has found it increasingly difficult to operate in the black is the unfair competition of Air Canada, particularly on the Winnipeg-Regina stretch of the western lateral. Every time TransAir tried to adjust its schedule so that it could provide the best service for intervening points like Regina, Swift Current, Brandon and Winnipeg, that service was bracketed by Air Canada. I think Air Canada ought to be required to conform to the regional air policy laid down by the government, under which it is to provide the best possible air transport service to all parts of Canada.

There is one other aspect of the matter, Mr. Speaker. TransAir has been given some lucrative routes into Winnipeg, Thunder Bay and Toronto. It asked to withdraw from the Kenora-Dryden-Thunder Bay service, but because it was allowed to continue on to Toronto that service is continuing. I have flown that route from time to time. If anyone says that too few passengers are generated on the Regina-Brandon-Winnipeg run, I can advise the minister that there are even fewer generated at such points as Kenora and Dryden, yet those points are provided with class I service. All we are asking for in western Manitoba and eastern Saskatchewan is equity so that we may be able to benefit from the general regional development program of the government.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I am pleased to respond this evening on behalf of the Minister of Transport (Mr. Jamieson) to the questions raised by the hon. member from Brandon-Souris (Mr. Dinsdale). The House is not unfamiliar with this subject; I recall several questions over the past few weeks which were put by the hon. member to the Minister of Transport. On the aspect of providing additional passenger service to Brandon, it appears to me that the real essence of the situation can be found in the minister's answer to the hon. member during the question period of January 26, as reported at page 2757 of *Hansard* as follows:

> I think he is as well aware as I am that level of usage is one of the determining factors. We are doing our best to put the kind of aircraft into that service that will accommodate the people who are offering their patronage.

The hon. member, Mr. Speaker, has raised some additional points which I will bring to the minister's attention. At the same time, these representations might be referred to the Canadian Transport Commission in the event that a further application to serve Brandon is filed with the commission.

• (10:10 p.m.)

In response to a related question asked by the hon. member on January 22 about the possibility of the minister visiting Brandon, I am informed that His Worship Mayor Wilton has extended a kind invitation to the minister to officially open the new air terminal building. The minister has accepted the invitation and has agreed with the mayor that he will visit Brandon early in the coming spring. Specific arrangements will be made in the weeks ahead.

CANADIAN NATIONAL RAILWAYS—DISCONTINUANCE OF DINING CAR SERVICE—OTTAWA-MONTREAL

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I realize that this question was asked last night by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand). I thought that perhaps the duty man tonight would not be the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) and that someone else would give a different type of answer. Perhaps the parliamentary secretary has had an opportunity between last night and tonight to look at the situation.

We have heard a lot about rationalization in the last few days with regard to railways generally. Never did we believe that nationalization of Canadian National Railways would lead to the rationalization of "the public be damned" policy that is being adopted by the CNR. It has been said that in the first half of the century Canada was a child of her waterways and that in the second half she was a child of the railways. Now Canada is to lose that

child because the president of the Canadian Transport Commission does not care about public service in this country.

I am sure the questions asked in this House concerning the dining car service on trains 30 and 31 between Ottawa and Montreal and Montreal and Ottawa have led everyone to believe that there is public demand for this service. The chairman of the dining car local tried to get the figures from the CNR as to how many meals are served on that train. He was informed that he should go to the regional vice-president of his organization to find this information. He in turn would apply to the CNR regional vice-president to confirm whether the number of meals on the train was in fact necessary. It seems strange that the figure of $300,000 was quoted last night as the loss on that train without any substantiating facts whatsoever.

Last Thursday morning I rode the train from Ottawa to Montreal. There was a line-up of people waiting for meals. I can visualize what will happen after today when a person leaves the train. I can visualize the public relations image of a bright young businessman stepping off the train at Montreal with a hot meat pie stuck to his black suit. This is exactly the type of situation we are now looking at. Surely somewhere along the line people do count in our transportation system. The president of the CNR and members of the Canadian Transport Commission must realize that railways in Canada have an obligation to provide service to the public. Public interest means something in this day and age. We know that the Canadian Transport Commission could have quashed the ruling to discontinue this dining car service. I wish to read from an article which appeared in the January 29 edition of The *Citizen*:

> A CTC spokesman said today that the commission "has had a good look" at the proposal and feels passenger service won't be adversely affected.

The article continues:

> —the CTC could legally quash the change.

A spokesman said as follows:

> "We feel discontinuance of dining car service was an admirable move on the part of CN to cut down costs."

It seems strange that the article did not name the CTC spokesman. The words of the CTC spokesman are very familiar with regard to the rationalization we heard about recently on other types of service. If we look at the situation we realize that this train serves the capital of our nation as well as our largest city. It is strange that this service is being discontinued. Many people have suggested that if the railways can cut off the politicians' train without too much of an uproar, they can cut off any train on the continent. This is the policy of the railways; they believe that if they can do this, everything will be fine. I quote from another newspaper article as follows:

> Cyrus Eaton, Nova Scotia-born Cleveland industrialist, says that Canada is making a great mistake in allowing the railways to phase out services and lines.
>
> Mr. Eaton, Chairman of the Chesapeake and Ohio railroad company said Canada "has no more important and necessary institutions than the railways."

Somehow some change will have to be made if we are to be recognized as having a transportation policy in Canada at all. The other day the Minister of Labour (Mr. Mackasey) introduced legislation providing pensions for workers laid off as a result of changes in the textile industry. I believe it is high time he took a look at what is happening in the transportation industry and applied similar measures there. We know there will be some 21 people affected by cutting off the dining car service. We also know that this service is used and appreciated. The railways should not be allowed to segregate services and say: We are losing on this and gaining on that. They have a responsibility to the public, and in these circumstances they should be compelled by the Transport Commission to provide reasonable service.

It seems strange that the Minister of Transport (Mr. Jamieson), having been requested to meet representatives of this organization to discuss the problem, should have failed to do so. I can only say that somewhere along the line we must produce a Minister of Transport who will stand up to the Transport Commission and tell its chairman that the minister is running the show and not him. It is vital that we should know who is really running the transportation system, whether it is the Minister of Transport or the chairman of the CTC.

The travellers using this service say without hesitation that they want it continued. It is the same game that we have seen over and over again. The CNR cuts down a service, within six months probably 50 per cent of the passengers become discouraged, then a further application is placed before the Transport Commission to abandon the route and transportation disappears. Will the Parliamentary Secretary please use a sledgehammer on the CNR to try to get them to reinstate a service which is in the best interest of the people of this country?

Some hon. Members: Hear, hear!

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, last evening at this hour I had the opportunity, on behalf of the Minister of Transport (Mr. Jamieson), of providing pertinent information in answer to what would appear to be an identical question. Last night it was to the hon. member for Notre-Dame-de-Grâce (Mr. Allmand); tonight it is to the hon. member for Moose Jaw (Mr. Skoberg).

The information respecting this matter has not altered during the past 24 hours. Without meaning any disrespect to the hon. member or to the trade union officials he quoted as authorities, I think it would not be inappropriate to refer him to last night's proceedings. There is one additional point which might be made clear in view of the hon. member's comments. The number of the employees affected is about 13. They have rights under their contract and can elect to exercise those seniority rights.

Mr. Skoberg: Where?

Proceedings on Adjournment Motion

SOCIAL SECURITY—GUARANTEED ANNUAL INCOME—OLD AGE PENSION COST OF LIVING BONUS—CHANGES IN CANADA PENSION PLAN

Mr. Doug Rowland (Selkirk): Mr. Speaker, on Monday, November 30, as reported at page 1582 of *Hansard*, I asked the Minister of National Health and Welfare (Mr. Munro) whether he would make representations to the provincial governments in connection with the advisability of reducing property taxes in the case of pensioners, as a means of increasing their discretionary income. The minister replied as follows:

> This may be a matter which could be discussed at meetings of ministers of both health and welfare, but it seems to me this is an area which lies exclusively within provincial jurisdiction.

The point I wish to make is this. It is obvious to anyone with eyes in his head that pensioners, especially those in receipt of the guaranteed income supplement, are in desperate need of additional income. In my question I was suggesting to the minister a way of providing some of that needed income to pensioners. I suggested it could be supplied through a remission of property taxes. I find it unacceptable for the minister to hide behind the Constitution as a means of avoiding the provision of such needed aid to pensioners.

• (10:20 p.m.)

It is true beyond any doubt that property taxes are a matter for the provinces under our Constitution. But I suggest that that fact need not inhibit the minister suggesting to the provinces that the reduction or elimination of property taxes to pensioners would have worth-while social effects. I also suggest that he need not restrict himself to purely moral suasion in this regard. He has at his disposal the instrument of the Canada Assistance Plan, which I suggest he could properly employ in this respect. Why not offer under the Canada Assistance Plan to pay half the costs which will be incurred by the provinces in the form of lost revenue through the remission of property taxes to pensioners? I speak not only of property taxes paid directly but also of property taxes paid indirectly as one of the component factors of rental fees that are charged.

Some provinces, through home owner grants, now do this or something similar to it in respect of the entire property tax paying population. In saying that this method is employed by some provinces I do not express my concurrence with it as a form of public policy but simply to indicate that that kind of approach is possible. I am suggesting to the minister that the provinces could decide, if he were to place such a plan under the aegis of the Canada Assistance Plan, whether or not to participate in such a program once it was offered, as they do now in the case of other Canada Assistance Plan programs and as they did in the case of medicare and hospitalization.

I realize that the federal and provincial governments do not have bottomless purses, and thus assistance that could be offered in this manner under the Canada Assistance Plan could be tailored to suit financial circumstances. For example, one approach would be to remit all property taxes to pensioners. Another approach would be to remit the health, welfare and education components of property taxes to pensioners. A third approach would be to remit only the education component of property taxes to pensioners. Another would be to remit to all pensioners their taxes, or to restrict the remission to those pensioners in receipt of the guaranteed income supplement. I am trying to demonstrate that this kind of program is infinitely adjustable. Other approaches will probably readily occur to hon. members.

The point that I insist on making is that the federal government could do something in this regard if it wished. The legislative precedents are there, and I suspect that within the Canada Assistance Plan the legislative authority to so act is already extant. Certainly the need is there. Our pensioners must pay far too high a proportion of their income for accommodation. This is true of people living in rental accommodation as well as those owning their own property. I think it is said that people who have worked in order to purchase a home are now finding property taxes so high that they are unable to keep the home. It is a sad fact that governments seem unwilling to act to prevent them from losing their homes. I am simply saying to the minister that he need not feel that his hands are tied by the Constitution if he really wishes to deal with this problem. I have suggested several approaches to him this evening. I hope he will consider them when they are transmitted to him by whichever parliamentary secretary replies on his behalf.

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, since the fiery and sprightly member for Hull (Mr. Isabelle) is in his riding on official business with his constituents, he asked me to pass on to the hon. member for Selkirk (Mr. Rowland) the answer he would have given him himself.

Mr. Speaker, as the hon. member well knows, the government is always prepared to consider any worthwhile and practical system designed to increase the income of needy pensioners, as indeed it did recently by increasing the guaranteed income supplement. As the minister pointed out on November 30th, the hon. member's suggestion falls within a field that comes under provincial jurisdiction.

Whether he likes it or not, there exists in Canada a constitution, and property and property rights come under provincial jurisdiction, as he himself has just recognized.

That, for instance, is why Ontario, facing up to its responsibilities, recently set up a fiscal assistance program to help elderly people; this program applies to all those who, at the end of October 1970, were eligible for the federal guaranteed income supplement. The province has decided to help needy people in future, easing their tax burden, deeming it should start with those whose need is greatest. The authorities therefore decided to include in this class old people receiving a guaranteed income supplement.

These people have been the most affected by the increase in real estate taxes, whether they are owners or tenants, and the Ontario government has judged these

taxes to be among the most unfair to be levied by the different levels of government.

A few years ago, Ontario and Quebec established a tax abatement applicable to all municipal real estate taxes.

Recently, the Ontario government reduced the school tax rates for farmers and has now begun paying up to $100 per month to older persons in order to help them pay their property taxes or their rent.

British Columbia and Saskatchewan have also adopted programs to help persons in need pay their property taxes.

There, Mr. Speaker, is an example of the way in which the different levels of government endeavour, each in its own field, to help needy people to overcome their difficulties. Because of the various budgetary requirements which governments must face, one must admit that, inasmuch as possible, those whose need is greatest should have first priority, and that, I believe, is what the NDP advocates. For that reason, we may have to introduce programs on a selective basis, evaluating a series of needs against another, while at the same time taking into account the various methods and resources through which such needs may be satisfied.

Each level of government must determine its own priorities, in its own field of jurisdiction and according to its means, in dealing with the problems of our modern age.

Motion agreed to and the House adjourned at 10.30 p.m.

APPENDIX A

COMMONWEALTH SECRETARIAT
Marlborough House,
London, S.W. 1, Tel. No. 01-839 3411

COMMONWEALTH HEADS' OF GOVERNMENT MEETING
SINGAPORE, 14-22 January, 1971

FINAL COMMUNIQUÉ

Commonwealth Heads of Government met in Singapore from 14 to 22 January. All Commonwealth countries were represented, seven by their Presidents, seventeen by their Prime Ministers, one by the Vice-President, and six by senior Ministers. The Prime Minister of Singapore was in the Chair.

2. This was the first Heads' of Government Meeting to be held in Asia. Heads of Government welcomed this and expressed gratitude to the Government of Singapore for the hospitality it had provided.

3. The Meeting expressed a warm greeting to the Prime Ministers of Tonga, Western Samoa and Fiji whose countries had become members of the Commonwealth during 1970, and particularly welcomed their membership as it brought to Commonwealth consultations additional views of the peoples of the south-west Pacific.

Commonwealth Declaration

4. Heads of Government approved unanimously and issued a Commonwealth Declaration.

International Affairs

5. Heads of Government reviewed the world political situation and trends. Views were exchanged on: East-West relations; Chinese representation in the United Nations; the steps required to end the conflict in Indo-China; the neutralisation of south-east Asia; the conditions necessary for achieving a durable settlement in the Middle East; the violation of the security and sovereignty of the Republic of Guinea by the military and naval forces of Portugal in conjunction with other elements; the need for general and complete disarmament under effective international control, the cessation of the nuclear arms race and the conclusion of collateral measures with particular attention to nuclear disarmament until general and complete disarmament is achieved; the staging of nuclear weapons tests and the dumping of chemical weapons in the peaceful south-west Pacific area; and the complementary role of regional organisations and such trans-regional groupings as the Commonwealth.

Southern Africa

6. The Meeting reviewed major developments in southern Africa, including in particular those in South Africa and Namibia (South West Africa), the Portuguese colonies and Rhodesia, and noted that tensions in that region were likely to increase rather than decrease unless there were fundamental changes in the conditions now prevailing. Earlier discussions on N.I.B.M.R. were recalled. There was unanimous reaffirmation of the importance of the principle that any proposals for settlement must be acceptable to the people of Rhodesia as a whole.

7. The Meeting had before it the report of the Commonwealth Sanctions Committee which reviewed the working of economic sanctions over the last two years. Heads of Government authorized the Committee to continue to review the situation.

8. Heads of Government discussed fully the question of the sale of arms to South Africa.

9. Heads of Government considered the factors affecting the security of maritime trade routes in the South Atlantic and Indian Oceans, which are of vital importance for a large number of Commonwealth countries. They decided to set up a Study Group, consisting of representatives of Australia, Britain, Canada, India, Jamaica, Kenya, Malaysia and Nigeria, with instructions to consider the question further and report to them through the Secretary-General as soon as possible.

10. Certain Heads of Government stipulated the understandings on which they agreed to support the proposal to set up the Study Group.

The Security of the Indian Ocean

11. In their discussion of a paper presented by the Prime Minister of Ceylon on the security of the Indian Ocean, Heads of Government agreed on the desirability of ensuring that it remains an area of peace and stability.

Economic Affairs

12. Heads of Government held a full and frank discussion on the world economic situation and broadly reviewed recent developments and trends. Among the items discussed were: liberalisation of trade and access to markets; the special problems relating to exports of developing countries; the generalised preferences system and the problems connected with it; international commodity problems; high freight rates, inflation and its consequences; debt servicing problems of developing countries; targets for the transfer of resources to developing countries; terms and conditions of assistance, including the untying of aid; supplementary financing; the possibility of a link between Special Drawing Rights and development finance; and, the lending policies of international financial institutions.

13. Heads of Government expressed their satisfaction that agreement was reached on the International Development Strategy for the Second Development Decade at the United Nations General Assembly. They reaffirmed their Governments' resolve to take the measures to translate into reality the goals and objectives of the Decade. In summarising their discussions, they also reaffirmed their conviction that fulfilment of the economic and social aspirations of the peoples of the developing countries was a matter of vital concern not only to the developing nations but to the world at large.

Possible British Entry into the EEC

14. Heads of Government discussed Britain's possible entry into the European Economic Community and the implications of this for other Commonwealth members. Among the matters discussed were the questions of: the effect of the Common Agricultural Policy on the exports of Britain's traditional suppliers; the need for any enlarged Community to be outward looking; standstill arrangements for those countries which desired or may be offered association or other trading arrangements with an enlarged Community; reverse preferences and their impact on international trading arrangements; the potential advantages and disadvantages for the Commonwealth in the event of Britain's accession; and methods of consultation during negotiations. They welcomed the resolve of the British Government to continue to press during the negotiations for measures to safeguard the interests of Commonwealth countries.

Commonwealth Co-operation for Development

15. Heads of Government welcomed the establishment of the Commonwealth Fund for Technical Co-operation and noted that the way was now open for it to be made operational.

16. Heads of Government discussed the recommendations embodied in a study on Commonwealth Export Market Development. They decided that these recommendations should be given further consideration at an early meeting of trade and finance officials.

Commonwealth Information Programme

17. Heads of Government agreed in principle on the proposals submitted to them for a Commonwealth Information Programme.

Commonwealth Co-operation on Youth Questions

18. Heads of Government noted with approval the Secretariat's activities in the youth field and agreed that such activities be expanded. They noted that a number of related matters would be discussed at the forthcoming Commonwealth Education Conference in Canberra. They decided that a meeting of Ministers concerned with Youth matters be convened as early as possible.

Commonwealth Book Development and Gift Voucher Scheme

19. Heads of Government approved in principle the establishment of a Commonwealth Book Voucher Scheme.

Special Commonwealth Programme for Assisting the Education of Rhodesian Africans

20. Heads of Government took note of the development of the programme and supported its continuation.

Commonwealth Foundation

21. Heads of Government noted the progress of the Commonwealth Foundation and agreed to its proposed expansion.

Comparative Techniques of Government

22. The Conference agreed that the item on "Comparative Techniques of Government", which was introduced by the Prime Minister of Canada, should be the subject of further discussion at the next meeting of Commonwealth Heads of Government. It was proposed that the Secretary-General should facilitate such discussion by arranging for preliminary study of the subject by appropriate officials.

Report of the Commonwealth Secretary-General

23. Heads of Government took note of the Third Report of the Commonwealth Secretary-General.

23786—50

APPENDIX B

COMMONWEALTH DECLARATION
COMMONWEALTH HEADS' OF GOVERNMENT MEETING
SINGAPORE, January 1971

The Commonwealth of Nations is a voluntary association of independent sovereign states, each responsible for its own policies, consulting and co-operating in the common interests of their peoples and in the promotion of international understanding and world peace.

Members of the Commonwealth come from territories in the six continents and five oceans, include peoples of different races, languages and religions, and display every stage of economic development from poor developing nations to wealthy industrialised nations. They encompass a rich variety of cultures, traditions and institutions. Membership of the Commonwealth is compatible with the freedom of member governments to be non-aligned or to belong to any other grouping, association or alliance.

Within this diversity all members of the Commonwealth hold certain principles in common. It is by pursuing these principles that the Commonwealth can continue to influence international society for the benefit of mankind.

WE BELIEVE that international peace and order are essential to the security and prosperity of mankind; we therefore support the United Nations and seek to strengthen its influence for peace in the world, and its efforts to remove the causes of tension between nations.

WE BELIEVE in the liberty of the individual, in equal rights for all citizens regardless of race, colour, creed or political belief, and in their inalienable right to participate by means of free and democratic political processes in framing the society in which they live. We therefore strive to promote in each of our countries those representative institutions and guarantees for personal freedom under the law that are our common heritage.

WE RECOGNISE racial prejudice as a dangerous sickness threatening the healthy development of the human race and racial discrimination as an unmitigated evil of society. Each of us will vigorously combat this evil within our own nation. No country will afford to regimes which practise racial discrimination assistance which in its own judgment directly contributes to the pursuit or consolidation of this evil policy. We oppose all forms of colonial domination and racial oppression and are committed to the principles of human dignity and equality. We will therefore use all our efforts to foster human equality and dignity everywhere and to further the principles of self-determination and non-racialism.

WE BELIEVE that the wide disparities in wealth now existing between different sections of mankind are too great to be tolerated; they also create world tensions; our aim is their progressive removal; we therefore seek to use our efforts to overcome poverty, ignorance and disease, in raising standards of life and achieving a more equitable international society. To this end our aim is to achieve the freest possible flow of international trade on terms fair and equitable to all, taking into account the special requirements of the developing countries, and to encourage the flow of adequate resources, including governmental and private resources, to the developing countries, bearing in mind the importance of doing this in a true spirit of partnership and of establishing for this purpose in the developing countries conditions which are conducive to sustained investment and growth.

WE BELIEVE that international co-operation is essential to remove the causes of war, promote tolerance, combat injustice and secure development amongst the peoples of the world; we are convinced that the Commonwealth is one of the most fruitful associations for these purposes.

In pursuing these principles the members of the Commonwealth believe that they can provide a constructive example of the multi-national approach which is vital to peace and progress in the modern world. The association is based on consultation, discussion and co-operation. In rejecting coercion as an instrument of policy they recognise that the security of each member state from external aggression is a matter of concern to all members. It provides many channels for continuing exchanges of knowledge and views on professional, cultural, economic, legal and political issues among member states. These relationships we intend to foster and extend for we believe that our multi-national association can expand human understanding and understanding among nations, assist in the elimination of discrimination based on differences of race, colour or creed, maintain and strengthen personal liberty, contribute to the enrichment of life for all, and provide a powerful influence for peace among nations.

HOUSE OF COMMONS

Wednesday, February 3, 1971

The House met at 2 p.m.

PRIVILEGE

MR. DOUGLAS (NANAIMO-COWICHAN-THE ISLANDS)—STATEMENTS BY MINISTERS RESPECTING MEMORANDUM ON HIRING OF FRANCOPHONES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I rise on a question of privilege affecting the rights of all members of the House. I refer to the conflicting and misleading statements which have been made by various members of the cabinet with respect to the memorandum issued by the Public Service Commission concerning the hiring of Francophones. I contend that these misleading statements constitute a contempt of Parliament. If Your Honour agrees that I have a prima facie case of privilege, I would ask leave to introduce a motion for the consideration of the House.

On January 26 the President of the Treasury Board (Mr. Drury) tabled the memorandum issued by the Public Service Commission. At page 2752 of *Hansard* for January 26 the minister described that memorandum in the following terms:

> This is in the nature of what I may describe generally as a feasibility study.

I will not take the time of the House to quote the many instances in which the minister and the then Acting Prime Minister said this was not a program but a feasibility study. The fact is that a reading of the memorandum gives an entirely different view of the matter. The opening paragraph of the memorandum reads as follows:

> This letter is further to a recent, brief telephone survey of departmental requirements for post-secondary graduates if special funds were made available for 1971. The basis of the survey was a request as to how many additional Francophone graduates you could gainfully employ should the salary costs be covered from funds outside your budgeted programs.

The second paragraph goes on to state:

> We are now in a position to clarify some of the aspects of the program. The following factors (although not in order of priority) will be considered.

Then follow 11 factors. The closing two paragraphs state:

> In order to avoid any misunderstanding and help speed up the implementation of the program, it is proposed to hold a preliminary meeting on Tuesday, January 12, 1971, at 2:30 p.m. in Place de Ville, Tower "A", 14th floor, room 1430.
>
> It is hoped you will be able to attend and if possible give some thinking as to the practical application of this program, as it applies to your department, before the meeting.

At the foot it says:

> N.B.: This information is confidential and no official announcement will be made.

23786—50½

• (2:10 p.m.)

I contend in the first place that this is a program which was under consideration. The minister denied any knowledge of the memorandum. I accept his word that he had not seen it. But it was a program which was under consideration by the various departments.

The second point I want to draw to the attention of the House is that we received misleading and evasive replies as to who was responsible for authorizing the study of this program and who had indicated that $2 million would be available for its implementation. As reported on page 2752 of *Hansard* for January 26, the President of the Treasury Board said:

> I might say that this memorandum outlining a procedure for increasing the proportion of Francophones in the Public Service is not an approved program. It will not be a program approved by the government until it has been submitted to the Treasury Board.

Yet the Treasury Board, as members of the cabinet, had already played a part in authorizing a sum of money for this program.

As reported on page 2753 of *Hansard* for January 26, I directed the following question to the President of the Treasury Board:

> May I ask whether the Public Service Commission or whoever was responsible for formulating this memorandum had authority to say that $2 million would be made available for the purposes stated in the memorandum without the President of the Treasury Board having given his prior consent?

That was a straight question. All the minister had to say was that the government had authorized the expenditure of $2 million and that a program was being prepared. But the minister's reply was:

> As I indicated to the Leader of the Opposition, this memorandum is couched, at least in the opening phrases, in the conditional tense, as it should be. Perhaps there is a greater element of certainty in subsequent paragraphs which I do not think is warranted inasmuch as there is no approved program.

As reported on page 2754 of *Hansard* for January 26, the hon. member for Cape Breton-East Richmond asked the President of the Treasury Board to tell the House who, outside the Treasury Board, had the authority to authorize the $2 million. The Minister's reply was as follows:

> It is only the Parliament of Canada that can authorize the $2 million.

The fact is, of course, that yesterday the Prime Minister told us that cabinet had already authorized the expenditure of $2 million.

As reported on the same page of *Hansard*, the President of the Treasury Board said:

> There is no program and there will not be a program until such time as formal approval has been given to a proposal. This is a step in the gestation of a proposal, and until it becomes approved it is not a program.

Recruitment of Francophones

I should like to draw attention to one other quotation, Mr. Speaker. It is the question which I directed to the Acting Prime Minister on January 28, as reported at page 2843 of *Hansard*.

> Does the Public Service Commission have the authority to commit the government to an additional $2 million annually over and above the regular appropriations, and does it have the authority to set aside the merit system on its own initiative?

The reply of the Acting Prime Minister is clear. He said:

> As I said in the House the other day, there has been no money appropriated by Parliament yet for the next year, and before any money would be expended for this purpose not only would the Treasury Board have to approve it, not only would the government have to approve it, but Parliament would have to approve it. No money has been appropriated for this purpose yet.

The government may take refuge in the statement that money had not yet been appropriated, but the fact is that the expenditure of the money had been authorized. I also refer to the press release that the President of the Treasury Board issued on January 25:

> Treasury Board President, Honourable C. M. Drury, stated today that recent press stories purporting to reveal a secret government fund of $2 million for special hiring of Francophones for the Public Service have been seriously misleading.

Then the last paragraph reads:

> So far as the $2 million is concerned this has not been allocated to any specific program.

Then I ask the House to look at the statements which were made yesterday, February 2. As reported at page 2982 of *Hansard* I asked the Prime Minister:

> —I want to ask the Prime Minister if he knows who did authorize the issuance of this memorandum and, if he did not, would he undertake to find out?
>
> Mr. Trudeau: Mr. Speaker, the memorandum was issued pursuant to a decision of cabinet last November.

So it is perfectly clear that the statements made by various ministers disclaiming any knowledge of a proposed plan were just not in accordance with the facts, that last November the proposal had been agreed upon and the Public Service Commission was acting under instructions from the cabinet to prepare such a plan.

As reported at page 2983 of yesterday's *Hansard*, in reply to a question by the hon. member for Winnipeg North Centre (Mr. Knowles) the Prime Minister said:

> Mr. Speaker, last November the cabinet authorized the expenditure of an additional $2 million if a feasible plan could be found.

I submit that for an entire week we sought to ascertain from the government who had authorized the plan which was under formulation and we were given evasive and misleading answers. We endeavoured to find out who had indicated to the Public Service Commission that $2 million would be available this year and in subsequent years for the implementation of a program which would be prepared and finally approved, and again we were given misleading and evasive answers. The fact is, of course, that the cabinet had already authorized the preparation of such a plan and had also authorized the expenditure of this amount of money when the plan was completed.

I want to make it perfectly clear the question of the hiring of Francophones is not at issue at this time.

Some hon. Members: Oh, oh!

Mr. Hogarth: Don't look now but your bigotry is showing.

Mr. Douglas (Nanaimo-Cowichan-The Islands): If the government is desirous of hiring 1,250 students it has a perfect right to delineate what percentage of them shall be French-speaking, and it can say so in the specifications calling for applications. What I am objecting to is that the government has not come clean, that the government has attempted to deceive the House, that it has withheld information from the House. If Your Honour finds that I have a prima facie question of privilege, I propose, if Your Honour agrees, to move the following motion:

> That the conflicting statements made to the House of Commons by several cabinet ministers concerning the memorandum on special recruitment of Francophones in the Public Service, tabled in the House of Commons on January 26, 1971, be referred to the Standing Committee on Miscellaneous Estimates for consideration and report.

• (2:20 p.m.)

Mr. Speaker: Order, please. Before I recognize the President of the Privy Council, perhaps I might suggest that there should be no debate at this stage. However, in view of the practice we have developed I think it is in order for the minister or ministers whose conduct has been impugned to indicate for the guidance of the Chair and for the information of the House their interpretation of the situation. To this extent the Chair will hear from the President of the Privy Council and make a ruling immediately thereafter on whether there is a prima facie case of privilege.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, the hon. member who has just taken his seat has sought to have a ruling of the Chair made that his motion raises a prima facie case of privilege.

It is clear, and it has been so established, that the function of the Chair at this point is to determine whether the allegations by the hon. member constitute a prima facie case of privilege. If that were determined by Your Honour, it would then be up to the House to decide whether in fact such privilege existed.

The hon. member has based his question of privilege on what he terms are misleading and evasive replies made by ministers of the government. He has also based his question of privilege on the suggestion that contradictory statements have been made by ministers of the government. I suggest that never in the history of this House has a question of privilege been found to be valid on the basis of conflicting statements made by ministers or any other members. I do not admit for a moment that such conflicting statements have been made, but, indeed, if they were made they do not constitute a question of

privilege in any sense at all. A dispute over facts does not raise a question of privilege; it is a question of debate.

If the leader of the New Democratic Party is asserting that ministers have made conflicting statements or have made evasive replies, this is a dispute over what has happened and he can engage the ministers in debate on an appropriate occasion.

The hon. member went further and said that these ministers had attempted to deceive the House in this case. The hon. member knows as well as I that if he is making the clear statement that ministers of this government have deliberately deceived the House he has one course of action to follow. It is not uncertain as to what he ought to do. If he believes that ministers have deliberately deceived the House—that is, of course, a question of privilege, but he has not said that yet—then he has raised a question of privilege and he ought to follow the time-honoured practice of the House. That practice was decided most recently in 1959 when His Honour, Mr. Speaker Michener, made a ruling that still stands as the ruling affecting privilege in the House, and which was subsequently confirmed by the membership of the House in the vote on that occasion.

It was a very important debate, Mr. Speaker. On that occasion the right hon. member for Prince Albert (Mr. Diefenbaker), the former Minister of Justice, the Hon. Davie Fulton and others who are in opposition at this time expressed themselves as to what the correct procedure is if a question of privilege is raised affecting the conduct of any member of the House of Commons.

Presumably the leader of the New Democratic Party is asserting to the House that ministers have deliberately misled the House. He is asking for an examination of their conduct by a committee of the House. On that occasion Mr. Fulton, speaking in the debate, made this comment:

> In every case, therefore, where a member has really felt that the conduct of any other member of the House of Commons should be examined—

This is what is implied in this motion.

> —that member has followed the correct and honourable course of making specific charges so the member concerned will know what it is he has to meet.

In the same debate the right hon. member for Prince Albert insisted upon the necessity of making specific charges. He quoted a statement that had been made by Mr. Mackenzie King when early in the 1940's a member of the House of Commons had made a comment to the effect that the government had produced three new millionaires since the declaration of war. On that occasion Mr. Mackenzie King said:

> I submit, Mr. Speaker, that the hon. member should be obliged either to withdraw the statement completely or else to convert it into a specific charge to be investigated in the usual manner, and the consequences of the investigation also to be followed up in the usual manner.

I could, of course, refer to the judgment of Mr. Speaker Michener. We know that when the conduct of a member on either side of the House is impugned—and Your Honour has suggested that this was the effect of the comments made by the leader of the NDP—it has to be impugned in the form of a specific charge formulated in a specific motion. Then the House will naturally respond to that charge by ordering an inquiry, and the charge is validated or invalidated. If it is invalidated—

Mr. Speaker: Order, please. I have to interrupt the minister and perhaps allow him to conclude his statement in a moment, but it does appear to me that at this point we are embarking on a wrong course. My interpretation of the practice we have followed over the years is that the Chair has allowed a member whose conduct may have been impugned in a statement accompanying a question of privilege to indicate what in his view the facts are and perhaps to rectify the situation as it exists in his own mind. It has not been the practice to debate the procedural point at all.

I am not in disagreement basically with any of the procedural points made by the President of the Privy Council. Indeed, I suspect all hon. members would be in agreement with what he has said. But I suspect at the same time that if he, on behalf of the government, is allowed to argue the matter procedurally, there is no reason why another 15 members of the House should not be allowed to debate the same matter procedurally.

• (2:30 p.m.)

This is why for some time now I have thought that, in order to keep some control over these questions of privilege, the debate should be limited purely to the statement made by the member who raises a matter by way of question of privilege and a statement by the member who is involved personally in the question raised by way of privilege. This is why I suggested initially that an opportunity should be given to a minister who felt that he has an explanation to give when he thinks such explanation is necessary. I am not suggesting that it was. I am just saying to the minister that we might get ourselves into difficulty, and become involved in a lengthy debate on questions of privilege if, every time a question of privilege were raised, the President of the Privy Council or someone on behalf of the government felt constrained to put forward a procedural argument on the question of privilege and whether there was a prima facie question of privilege. I suggest that it is for the Chair to determine that point. The matter is an important one, but perhaps the minister might like to take my suggestions into consideration and bring his statement to a close.

Mr. MacEachen: Yes, Mr. Speaker. I take the position that at this point what is being determined is whether there is a prima facie case of privilege. My argument is, of course, that what is alleged in the statement is a matter of debate, not a question of privilege. If there is a dispute over facts, that dispute can be treated in normal debate. But I think Your Honour will agree that if it is alleged, either implied or inferentially stated, that ministers have deliberately misled the House it is incumbent upon any hon. member to clear that up, and if he wants

to assert that ministers have deliberately misled the House he ought to make his charge—

Mr. Speaker: Order, please. The Leader of the Opposition wishes to rise on a point of order.

Mr. Stanfield: I hesitate to interrupt the President of the Privy Council but it seems to me, Sir, that he is paying absolutely no attention to your directive.

Som hon. Members: Oh, oh!

Mr. Speaker: Order, please. It is my hope that the President of the Privy Council will take into account the suggestion I made to him. He will bring difficulties on his own side of the House if he pursues the course of action he is embarked upon at the present time.

An hon. Member: He is abusing the rules.

Mr. MacEachen: What I intended to do was really to agree with your formulation of the situation but at the same time—and I do not make any apologies to the Leader of the Opposition or any member of the House—because of the gravity of the situation to outline not what the course I am following will lead me to but what the course which the hon. member is following will lead him to.

Some hon. Members: Hear, hear!

Mr. Speaker: I thank the President of the Privy Council for his forbearance and again I suggest, with all due respect, that perhaps the practice we have been following has worked rather well. I think hon. members have appeared to want to co-operate with the Chair in following this practice. It seems so much better to consider questions of privilege, to hear the question stated as briefly and lucidly as possible by the hon. member who raises it and not to embark on a procedural argument. I think the practice has functioned rather well until now, and I hope the Chair will continue to have the co-operation of hon. members in following that practice which, I think for the benefit of the House in general, we should follow.

The hon. member for Nanaimo-Cowichan-The Islands has given the notice required by section 2 of Standing Order 17 in the following terms:

> At two o'clock today I wish to raise a question of privilege arising out of conflicting statements of cabinet ministers which I consider a contempt of Parliament.
>
> Should Your Honour decide that I have a prima facie case of privilege, I am prepared to submit a motion for the consideration of the House.

In a preliminary way, I should mention that since then I have given the matter the most serious thought and consideration. I have looked at precedents and citations and applied my mind as diligently and objectively as possible to the important matter raised by the hon. member. I have also listened with interest to the arguments submitted by the President of the Privy Council and, as I said a moment ago, I do not disagree with any of the points which he made from a procedural standpoint. I believe he stated correctly what the position is from a procedural point of view of procedure.

I should like to ask in a hypothetical way whether an assertion to the effect that certain proceedings are in contempt of parliament is inherently a matter of privilege as understood by our practice. I have some serious doubts about it. What the hon. member suggests in the notice he has given to the Chair is that being in contempt of parliament constitutes a question of privilege. If all hon. members will look at the definition of privilege which has been cited from time to time in the House and which is reported in May's 17th edition at page 42, they will find that this definition indicates that so-called contempt of parliament does not by itself constitute a question of privilege. It might be an element, of course, it might be part of the general picture, but by itself to say that there has been contempt of parliament and therefore there is a question of privilege is, I suggest to the hon. member, not the complete picture, and that when there is nothing more it does not constitute a question of privilege.

It seems to the Chair that the matter raised by the hon. member may be classified or categorized in one of three ways. First, an hon. member may allege wilful misconduct or wilful intention to mislead the House. As has been pointed out correctly by the President of the Privy Council, there is here a long-established rule which would apply, a rule to which the Chair has alluded from time to time. May I refer hon. members to the ruling of Mr. Speaker Michener, which again the President of the Privy Council quoted. It is reported at page 584 of our *Journals* for Friday, June 19, 1959:

> In my view, simple justice requires that no hon. member should have to submit to investigation of his conduct by the House or a committee until he has been charged with an offence.

I fully recognize that the words uttered by the hon. member for Nanaimo-Cowichan-The Islands, as well as the words contained in his notice to the Chair, do not by themselves imply a charge of personal impropriety on the part of the minister. If they did, the hon. member knows as well as I do that by virtue of the long-established practice he would have to make a specific charge in the House and the matter would then be referred almost automatically to the Standing Committee on Privileges and Elections.

On the other hand, if the hon. member wishes to press a grievance or to censure a minister or a group of ministers, or the government in general, our practice provides specific procedures to effect such a result. In particular, the hon. member could move a substantive motion, after notice, in the ordinary way. I recognize that this may not be a very helpful suggestion, but it is one of the practices or procedures provided by our Standing Orders. In addition, I suggest that our supply procedures are designed at least in part to achieve such an object.

The third point is that the hon. member's notice is based on the suggestion that conflicting statements have been made by cabinet ministers. In his statement to the House a moment ago the hon. member was suggesting

that ministers have made misleading declarations in the course of replying to questions in the House. The Chair has frequently referred to citation 113 in Beauchesne's Fourth Edition which in part states:

But a dispute arising between two members, as to allegations of facts, does not fulfil the conditions of parliamentary privilege.

On one hand the hon. member contends that there is a conflict in the statements made by one minister and another minister and perhaps statements made by other ministers and an answer given to the House yesterday by the Prime Minister. On the other hand, the President of the Treasury Board argued yesterday that there is no such conflict. Surely this is a matter of debate.

Hon. members may remember that a similar question was raised by the hon. member for Nanaimo-Cowichan-The Islands on February 26, 1970, as reported at page 4109 of *Hansard* for that day. The hon. member suggested to the House that there was a conflict between statements on water resources made by the Prime Minister and the Minister of Energy, Mines and Resources. The hon. member argued that these allegedly contradictory statements constituted a contempt of parliament and suggested that the matter should be referred to the Standing Committee on Privileges and Elections. After considering all the precedents and our practice, a ruling was made by the Chair concluding that the matter did not constitute a question of privilege.

• (2:40 p.m.)

Again, in this instance, after having considered the precedents and our Standing Orders, I must conclude that there is not a prima facie case of privilege, the only matter which is before the Chair at present, and therefore the motion proposed by the hon. member for Nanaimo-Cowichan-The Islands cannot be put to the House.

ROUTINE PROCEEDINGS

PRICES AND INCOMES COMMISSION

TABLING OF REPORT ON NEWSPAPERS

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am pleased to table copies in the two official languages of a report by the Prices and Incomes Commission on newspapers.

* * *

RAILWAY ACT

AMENDMENT REQUIRING APPLICATION TO CANADIAN TRANSPORT COMMISSION FOR REDUCTIONS IN PASSENGER SERVICES

Mr. Warren Allmand (Notre-Dame-de-Grâce) moved for leave to introduce Bill C-221, to amend the Railway Act (reduction in passenger service).

Some hon. Members: Explain.

Proposed Legislation

Mr. Allmand: Mr. Speaker, at present a railway can reduce its passenger service over any particular line without making application first to the Canadian Transport Commission. Such application is necessary only when a railway wishes to terminate completely such passenger service. This bill would amend the Railway Act and require an application to the Canadian Transport Commission when a railway wishes to reduce its service. The railway would have to follow the same procedure as when it wishes to terminate a service. This bill is prompted by the action of the CNR in discontinuing service in Northern Ontario and between Montreal and Ottawa.

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

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

Some hon. Members: Now.

Mr. Speaker: At the next sitting of the House?

Some hon. Members: No.

Mr. Speaker: Is it the wish of the House that the bill be read the second time now?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: I gather that there is not unanimity.

Some hon. Members: Oh, oh!

Mr. Speaker: Regretfully, the question cannot be put at this time.

Mr. McCleave: Mr. Speaker, I rise on a question of privilege. In this day and age, which member uses roller skates to go between Ottawa and Montreal?

An hon. Member: The Minister of Finance.

* * *

SUPERSONIC AIRCRAFT

PROHIBITION OF USE OF CANADIAN AIR SPACE BY COMMERCIAL FLIGHTS

Mr. Paul St. Pierre (Coast Chilcotin) moved for leave to introduce Bill C-222, respecting supersonic aircraft.

Some hon. Members: Explain.

Mr. St. Pierre: Mr. Speaker, this bill goes beyond present Department of Transport regulations which forbid commercial aircraft to fly at supersonic speeds over Canada. This bill would ban supersonic commercial aircraft, operating at any speed, the purpose being to reduce the threat of air pollution, to reduce the danger of ground damage caused by sonic booms, to avoid increased air fares, and, hopefully, to avert the possibility of the Canadian airline industry bankrupting itself on

behalf of the technical community's insane passion for speed and gadgetry.

Some hon. Members: Hear, hear!

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

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

Some hon. Members: Now.

Some hon. Members: No.

Mr. Speaker: There is not unanimous agreement for the second reading today. The bill is to be read the second time at the next sitting of the House. Is that agreed?

Some hon. Members: Agreed.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk).

CRTC PERSONEL

Question No. 235—**Mr. McCleave:**

1. Other than salaried-employees, how many people does the Canadian Radio-Television Commission have in its employ in the category of consultant or special adviser or who are in any way paid other than by salary?

2. What is the name and what are the specific duties of each?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State of Canada): I am informed by the Canadian Radio-Television Commission as follows: 1. Ten (10).

2. Name and Duties: Régine Bergeron: To assist in the work of the Research Branch and in the design of a reporting system for the Chairman's office. M. J. Bissett: To provide consulting support to the Planning and Development Branch for studies on extension of service in terms of engineering requirements. Seymour Epstein: To assist the Commission in the development and organization of the Planning and Development Branch. Patrick Gossage: To assist in the work of the Research Branch, in the analysis of a monitoring system and in research projects. John Grierson: To assist in the work of Research Branch in areas of political science in regard to broadcasting, programme policy and the role of electronic communications in Canada. Ralph Hart: To assist in the work of the Planning and Development Branch in studies on extension of service in terms of marketing impact and requirements. Stanley Jetchick: To assist in the work of the Research Branch, in system analysis studies related to the development of the broadcasting system. R. A. Reinhart: To assist in the work of the Planning and Development Branch on extension of service projects in terms of technical facility requirements. Fernand Rivard: To prepare a study on the creative utilization of new technology in broadcasting. Ralph Draper: To provide consulting services to the Research Branch in areas of financial and economic analysis as it relates to the future development of the Canadian broadcasting system.

[Mr. St. Pierre.]

[*English*]

CRTC RESEARCH REPORTS

Question No. 284—**Mr. Aiken:**

1. How many research reports have been produced in the Research and Planning Branch of the Canadian Radio-Television Commission since its formation?

2. What were the subjects of the reports and who were the authors?

3. What was the cost of research, writing and production of each report?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am inform by the Canadian Radio-Television Commission as follows: Since its formation by the Broadcasting Act of 1968 the Commission has not undertaken any theoretical research for publication. Its efforts have been limited to setting up an effective organization, including a research branch, and to dealing with the most urgent problems of licensing and with general broadcasting policies and regulations. A director of research has been appointed by the Public Service Commission on October 1, 1970. Staff members in research during the last few years have been called upon to advise the Commission on applications and on general policy matters such as: program development, cable television, ownership, satellites, extension of service.

[*English*]

DEBT OWED TO CANADA BY INDIA

Question No. 330—**Mr. Fortin:**

How much does India owe Canada and what are the repayment terms?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The answer, in so far as CIDA is concerned, is: $207,951,000 comprised of 15 development loans. Fourteen loans amounting to $205,750,000 have a maturity of 50 years, a grace period of ten years, and an interest rate of 0 per cent. The remaining loan in the amount of $2,201,000 has a maturity of 50 years, a grace period of ten years and a commitment and service charge of ¾ of 1 per cent.

CIDA—SALARY OF PRESIDENT AND COST OF PROGRAM

Question No. 387—**Mr. Tétrault:**

1. What is the annual salary of the President of the Canadian International Development Agency?

2. What was the total cost of the CIDA program for the fiscal year 1968-69?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The answer is: 1. Salary range is $35,000 to $39,000.

2. The total cost of the CIDA program for the fiscal year 1968-69, as appropriated by Parliament, was $248,503,000, comprised of (a) $4,105,600 for administration costs, (b) $138,397,400 for Grant Aid, and (c) $106,000,000 for Development Loans.

EMPLOYMENT OF MARTIN JAMES LONEY

Question No. 489—**Mr. Diefenbaker:**

Has Mr. Martin James Loney been employed in the Department of Manpower and Immigration during the year 1970 and, if so, in what capacity and during what periods?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Yes. Mr. Martin James Loney was employed by the Department of Manpower and Immigration, as a student research assistant, during the period April 27 to August 28, 1970.

CBC—PLANS TO REMOVE HEADQUARTERS TO MONTREAL

Question No. 602—**Mr. Nowlan:**

Does CBC have any immediate or long-term plans to move its headquarters to Montreal as recommended in the 1965 Fowler Committee Report on Broadcasting?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: No. Section 43(1) of the Broadcasting Act states that the head office of the Corporation shall be at the City of Ottawa or at such other place in Canada as the Governor in Council may prescribe.

[*English*]

CBC—DISBURSEMENTS AND ADVERTISING REVENUES

Question No. 604—**Mr. Nowlan:**

1. In each of the past five years, what were the total payments made by CBC for artist and talent fees for (*a*) English language (i) television (ii) radio (*b*) French language (i) television (ii) radio?

2. What were the net advertising revenues of CBC in each of the past five financial years for (*a*) French language (i) radio (ii) television (*b*) English language (i) radio (ii) television?

3. What was the percentage share of the English and French television advertising markets held by CBC in each of the past five years?

4. What was the percentage share of the English and French radio advertising markets held by CBC in each of the past five years?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. Summary of Artist and Talent Fees Paid in $000's

	English		French	
Year	Radio	TV	Radio	TV
1965-66	3,974	5,731	1,854	4,271
1966-67	4,714	6,960	2,133	5,309
1967-68	4,817	6,993	2,264	5,121
1968-69	5,003	7,168	2,314	5,018
1969-70	5,345	7,388	2,427	5,298

Questions

2. Summary of Net Advertising Revenue in $000's

	English		French	
Year	Radio	TV	Radio	TV
1965-66	1,106	16,930	873	5,979
1966-67	1,036	18,554	798	5,324
1967-68	1,038	21,456	729	5,270
1968-69	1,088	21,827	613	5,918
1969-70	1,193	26,703	677	7,352

3 and 4. CBC Percentage Share of Total Advertising Markets

	Radio	Television
1965	2.9%	25.1%
1966	2.3	23.9
1967	2.0	23.9
1968	1.8	23.9
1969	1.7	26.6

(Information to enable a calculation of market share by language is not available).

[*English*]

STUDY OF EDUCATIONAL BROADCASTING

Question No. 643—**Mr. Nowlan:**

1. What aspects of the intensive study in the field of educational broadcasting, reported in the last Annual Report of the Department of the Secretary of State, were examined?

2. What other departments were involved in these studies?

3. How many departmental reports were prepared as a consequence of these studies?

4. Were outside consultants used?

5. How many of the above departmental reports, including those which may have been produced by outside consultants, in whole or in part have been made public?

6. How many of the above departmental reports, including those which may have been produced by outside consultants, in whole or in part, have not been made public?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): 1. On October 24, 1968, the Secretary of State announced the formation of a task force on educational broadcasting to advise the government on problems falling within the federal jurisdiction such as ascertaining provincial government requirements and priorities for the provision of transmission facilities; conducting research and planning (both technical and financial) necessary to ensure the most rational development of these facilities in relation to the country's broadcasting and other communications systems in the light of the rapid pace of technological development; and to examine related legislation.

2. In addition to the Secretary of State, the Post Office Department (later Department of Communications), Department of Justice, Privy Council Office and Canadian Radio-Television Commission. The Canadian Broadcasting Corporation gave technical advice on request.

3. None, but studies by the task force were used by the Department to pursue the subjects reported upon by

it for consultation with provincial educational authorities and to advise the federal government.

4. Yes.

5. Not applicable.

6. Not applicable.

[*English*]

CRTC—GRANTING OF BROADCASTING LICENCES TO UNIVERSITY STUDENTS

Question No. 644—**Mr. Nowlan:**

1. Has CRTC granted a broadcasting licence to any group or association of university students in Canada?

2. Is there a government policy that radio broadcasting licences not be granted to university student groups or associations in Canada?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Radio-Television Commission as follows: 1. No.

2. No. The Commission hopes to issue at an early date guidelines for applications which may permit various formulas for student involvement in various kinds of broadcasting undertakings.

[*English*]

FINANCIAL ASSISTANCE FOR STUDIES OF SIGNIFICANCE TO INDIAN PEOPLE IN CANADA

Question No. 645—**Mr. Nowlan:**

In each of the past five years (a) what consideration has been given to studies of relevance or significance to Indian people in Canada (b) how many studies of relevance or significance to Indian people in Canada have been assisted financially (c) how many Canadian Indians have applied for Canada Council grants (d) how many Canadian Indians have received Canada Council grants (e) how many Canadian Indians have applied for Canada Council grants for research of relevance or significance to Indian people in Canada (f) how many Canadian Indians have received Canada Council grants of relevance or significance for Indian people in Canada?

Mr. J. A. Jerome (Parliamentary Secretary to President of The Privy Council): (a) and (b) The Department of Indian Affairs and Northern Development advises that it would involve an inordinate cost and time to provide the information requested. To provide the information required, the Canada Council would have to review at least 10,000 individual files of doctoral and of research grants applications and awards for the past five years as the present information retrieval system was designed to collate information by discipline rather than by topic of research. The Council is developing its information retrieval capabilities to include collation by research topic in the future.

(c), (d), (e), and (f) The Canada Council advises that the information is not available because applicants are not required to show their racial origin.

[Mr. Pelletier.]

CBC PERSONNEL 1969-70

Question No. 669—**Mr. Mather:**

1. In the years 1969 and 1970, what was the number of CBC administration employees including clerical staff?

2. In the same years, what was the number of CBC production employees?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows:

Number of CBC Employees as of December 31:	1969	1970
Administrative and clerical	4140	4040
Production	4941	4846

[*English*]

CANADA MANPOWER TRAINING PROGRAM

Question No. 697—**Mr. Paproski:**

1. With respect to the numbers of young Canadians seeking employment, what proportion of those receiving training under the Department of Manpower and Immigration are under 30?

2. How many have (a) applied for training (b) been rejected?

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. Information for the 1968-69 and 1969-70 fiscal years is as follows: 1968-69, 62.6 per cent; 1969-70, 58.8 per cent. Information subsequent to the 1969-70 fiscal year is not yet available.

2. No record is maintained of adults who inform manpower counsellors that they wish to undertake training but for whom training cannot be authorized.

PUBLIC SERVICE—INCREASE IN SALARY SCALES 1969 AND 1970

Question No. 717—**Mr. Robinson:**

What was the percentage increase in salaries given to federal civil servants generally for each of the years 1969 and 1970?

Hon. C. M. Drury (President of the Treasury Board): The average percentage increase in salary scales for Public Service Employees for whom the Treasury Board is the employer during the year 1969 was 6.8 and 1970 was 5.7.

MANITOBA—FEDERAL ASSISTANCE FOR FLOOD DAMAGE

Question No. 748—**Mr. Stewart (Marquette):**

1. For the year 1970, did the Province of Manitoba apply to the federal government for flood damage assistance and, if so, what assistance did the Province receive?

2. Has final payment for the year 1970 been made to the Province of Manitoba?

Hon. E. J. Benson (Minister of Finance): 1. Yes. The federal government agreed to assist the Province of Manitoba according to a formula which provides that the federal government will share those eligible costs arising

out of the floods that are above $1 per capita in the province, on the following basis:

Provincial Expenditures Eligible for Sharing per capita	Federal Share
First $1	0
Next $2	50 per cent
Next $2	75 per cent
Remainder	90 per cent

2. No claim has been received; therefore no payment has been made.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

NATIONAL DEFENCE—CF-5 AIRCRAFT CONTRACT

Question No. 143—**Mr. Lambert (Edmonton West):**

1. Were tenders called for the production of the CF-5 tactical fighter bomber and, if so, on what date?

2. How many tenders were received, from whom and at what price—either on a per unit or total cost basis?

3. Was the lowest tender accepted and on what date?

4. How many aircraft were called for by the contract and what was the breakdown of quantity as to model or versions?

5. What was the tendering price for each model?

6. (a) What variations in any specifications were made calling for price changes (b) for how much (c) for what reason were the modifications made?

7. (a) Did the contractor apply for the extras (b) who agreed to these extras (c) on what date?

8. When was the first aircraft delivered under the contract in question and what was the scheduled delivery by number and model?

9. How many aircraft have been delivered under the contract by model, and what has been the disposition of any such aircraft?

10. How many aircraft of each model remain to be delivered and how will these be used?

11. During the course of the contract, did the Department of Supply and Services or the Department of National Defence or any other agency of the government maintain an internal audit as to the cost at the place of manufacturing and, if so (a) what reports were made (b) on what dates (c) were there indicated any additions to cost?

12. (a) Of the amount of $71 million apearing on page 15.12 of Public Accounts 1969, Volume II, under the heading Aircraft and Engines, what amount was earmarked for the CF-5 contract, to how many aircraft did it apply and for what amount (b) what was the name of the payee (c) if the said amount has no reference to the CF-5 aircraft, what does this item of $71 million represent, both as to the kind of aircraft, the number, and other pertinent detail?

Return tabled.

NATIONAL FILM BOARD PRESENTATIONS

Question No. 600—**Mr. Nowlan:**

1. What was the number of film bookings made by the National Film Board for distribution in each of the past twenty years (a) by the Canadian Broadcasting Company (b) by other Canadian Television networks (c) in commercial movie theatres?

2. What was the average number of hours a week of National Film Board presentations shown by Canadian Television networks in each of the past twenty years (a) for French language films (b) for English language films (c) other than English or French language films?

Return tabled.

CMHC LOANS

Question No. 652—**Mr. Sulatycky:**

1. By type, how many CMHC loans were made and what was the total value of loans of each type made during each of the past five years in the Alberta communities of (a) Edmonton (b) Calgary (c) Red Deer (d) Lethbridge (e) Banff (f) Jasper (g) Blairmore (h) Coleman (i) Black Diamond (j) Turner Valley (k) Hinton (l) Edson (m) Drayton Valley (n) Vegreville (o) Vermilion (p) Fort McMurray (q) Grande Prairie (r) Peace River (s) Rocky Mountain House?

2. In Alberta, what portion of funds has been disbursed in each of the past five years for housing in communities of (a) more than 5,000 inhabitants (b) less than 5,000 inhabitants?

Return tabled.

Mr. McCleave: Mr. Speaker, I rise on a serious question of privilege which involves starred question No. 710, placed on the order paper by me on January 15 following a rather resolute or positive response by the Minister of Public Works with regard to some questions about the provision of winter unemployment for Canadians. Since the minister seemed to be so definite at that time, I ventured to ask a rather specific question. I see no reason why that question could not have been answered within at most ten days.

Mr. McCutcheon: Mr. Speaker, I rise on a point of order. I put question No. 415, which is a simple request for information, on the order paper on November 12. I seriously think that it could have been answered before now.

Mr. Jerome: Mr. Speaker, those numbers have been noted. I have noted the comments of hon. members opposite. In the last few days I have asked all ministers holding questions for periods longer than ten days to two weeks to review them. We are looking at each one individually in the hope that all of them can be answered very soon.

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Notices of Motions for the Production of Papers Nos. 1, 150 and 164 are acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the government concerned.

Mr. Speaker: Subject to the reservations or conditions expressed by the parliamentary secretary, is it the pleasure to the House to adopt these motions?

Some hon. Members: Agreed.

Motions for Papers

MEDICAL SERVICES FOR INDIANS, NEW BRUNSWICK

Motion No. 1—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all telegrams, correspondence and other documents exchanged between the government or any agency, department or branch thereof and the Government of the Province of New Brunswick relating to medical services for Indian people in the said Province since July 1, 1969.

Motion agreed to.

ST. REGIS INDIAN RESERVE ANNEXATION—BAND RESOLUTIONS

Motion No. 150—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all resolutions in the possession of the Department of Indian Affairs and Northern Development passed by the St. Regis Indian Band or the St. Regis Indian Band Council relating to the annexation by the City of Cornwall, the Province of Ontario or any group established under the aegis of the Province of Ontario, of Cornwall Island or any part of the St. Regis Indian Reserve.

Motion agreed to.

COPY OF REPORT REGARDING BLOW-OUT AND FIRE OF PANARCTIC KING CHRISTIAN EXPLORATORY WELL

Motion No. 164—**Mr. Harding:**

That an Order of the House do issue for a copy of the report on the investigation by Mr. R. King undertaken for the Department of Indian Affairs and Northern Development, regarding the blow-out and fire of the Panarctic King Christian D-18 exploratory well.

Motion agreed to.

Mr. Jerome: Mr. Speaker, would you be so kind as to call Notices of Motions Nos. 85, 134, 147 and 153.

STUDY ON THE FEDERAL GOVERNMENT AND THE ARTS

Motion No. 85—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the study on the federal government and the arts undertaken in the fiscal year 1966-67 for the Secretary of State as mentioned in answer to Question Number 1,323 of the 1st session of this Parliament.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, the present motion is the same as Notice of Motion for the Production of Papers No. 213 of the previous session. As was pointed out then, the study in question was a confidential one addressed to the Secretary of State. I would therefore invite the hon. member to withdraw his motion.

Mr. Skoberg: The confidentiality is not mutual, Mr. Speaker. I call for a vote.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

[Mr. Speaker.]

FREEZE ON URBAN RENEWAL PROJECTS ASSISTED BY FEDERAL GOVERNMENT

Motion No. 134—**Mr. Gilbert:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada and provincial and municipal governments regarding the federal government's decision to put an immediate freeze on all urban renewal projects in Canada assisted by the federal government.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Minister without Portfolio responsible for housing that there was no freeze on urban renewal projects already approved and under way as of August 14, 1969, the date of the public statement on urban renewal issued by the Minister without Portfolio responsible for housing. There was no intention on the part of the government to withdraw its assistance, nor was there a freeze on the processing of all applications for new urban renewal projects. Since, in fact, there has not been a freeze on urban renewal projects already under way, or on projects for which applications for federal aid had been received to the beginning of 1969, I would therefore ask the hon. member to withdraw his motion.

Mr. Speaker: Agreed, Mr. Speaker.

Order discharged and motion withdrawn.

APPLICATION OF BILINGUALISM IN PUBLIC SERVICE

Motion No. 147—**Mr. Orlikow:**

That an Order of the House do issue for a copy of all correspondence between Mr. John Carson, Chairman of the Public Service Commission and the Hon. John Turner, Minister of Justice, regarding bilingualism in the Public Service and its application under the terms of the Public Service Employment Act.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the correspondence reflects on the personal competence or character of individuals. Some of the papers are private and confidential. It is not the practice of the House to have such correspondence produced. It is respectfully requested that the hon. member withdraw his motion.

Mr. Orlikow: Mr. Speaker, the answer of the Minister of Justice sounds good, but it is an important question. Since the minister wrote to the chairman of the Public Service Commission I think we should have the correspondence.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

SALE OF RYERSON PRESS LTD.

Motion No. 153—**Mr. Macquarrie:**

That an Order of the House do issue for a copy of all correspondence, memoranda, etc., betwen the Government of Can-

ada and the United Church of Canada and other individuals and organizations relating to the question of the sale of Ryerson Press Ltd.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, this motion is acceptable in so far as the Departments of Industry, Trade and Commerce and National Defence are concerned. However, for the Prime Minister's office to comply, a considerable number of man-hours would have to be assigned to extract this correspondence from the files. Since these man-hours are not presently available, extra staff would have to be employed on a casual basis in order to complete this job. I have been assured that approximately 165,000 pieces of correspondence—

Mr. Speaker: Order, please. I am in doubt whether the hon. member can make an argument as to why the documents cannot be produced. Perhaps the hon. member might briefly indicate whether it is proposed to table the documents or under what conditions or with what reservations the parliamentary secretary would want to proceed.

Mr. Jerome: I was about to say that accurate statistics on the numbers of such correspondence are maintained, and such information could be provided in response to a question on the order paper. The motion is therefore acceptable, Mr. Speaker, except in so far as correspondence from the Prime Minister's office is concerned.

Mr. Speaker: My understanding is that the parliamentary secretary is prepared to table this correspondence or these documents subject to certain reservations which are not entirely clear. I wonder whether the hon. member for Hillsborough would like to ponder the situation and perhaps allow the matter to stand.

Mr. Macquarrie: I will send for the text, Mr. Speaker. Stand.

Mr. Speaker: Stand. Shall the remaining Notices of Motions stand?

Some hon. Members: Agreed.

Mrs. MacInnis: Mr. Speaker, I have had a motion on the order paper since November 25, 1970, No. 58:

That an Order of the House do issue for a copy of the interim report in March, 1968, by Dr. A. Vennema, Director of Canadian Medical Aid in Vietnam in 1967-68 and for copies of any subsequent correspondence between him and the Department of External Affairs.

I wish to inquire as to when I can expect the production of these papers.

Mr. Jerome: With the frequency with which the hon. member has been appearing at five o'clock on Thursdays with Notices of Motions for the Production of Papers, it is hard to believe that some remain unanswered. I will certainly look into the matter.

Inquiries of the Ministry

ORAL QUESTION PERIOD

FINANCE

INQUIRY AS TO INTRODUCTION OF TAX REFORM LEGISLATION

Hon. Robert L. Stanfield (Leader of the Opposition): I wish to direct a question to the Minister of Finance. In view of the importance of the economy moving forward as vigorously as possible and of removing uncertainties as rapidly as possible, will the minister indicate when he proposes to introduce his so-called tax reform legislation? May it be expected within a month or will it more likely be several months before it is introduced?

Hon. E. J. Benson (Minister of Finance): If my hon. friend would spend more time in the House, he would know that I answered this question two weeks ago.

Mr. Stanfield: I would like an answer to my question as of today as the minister changes his mind so frequently.

Mr. Benson: The answer today is the same as the answer I gave when the hon. member was not in the House. I expect to introduce legislation for tax reform some time toward the end of April.

Mr. Stanfield: In view of the concern and uncertainty and the length of time between now and the introduction of the legislation, will the minister reduce the uncertainty and concern by indicating in a statement in general terms at a very early date the extent to which he is prepared to accept the recommendations of the parliamentary committee with regard to tax reform?

Mr. Benson: This is very difficult to do, Mr. Speaker. If I were to indicate in the House what we intend to do with regard to tax reform, on which my hon. friend campaigned for us to withdraw it, I would also have to indicate the details. Several of the provinces have asked me to meet with them before the legislation is drafted. We tried to arrange a meeting this month but this has been impossible. I hope to meet them when a date can be arranged. I do not think it would be possible to indicate a general outline of tax reform without indicating specifics.

Mr. Stanfield: May I express the hope that the attitude of the government toward the taxpayer was not accurately reflected in the remarks made by the Prime Minister to the Lapalme workers yesterday.

Mr. Speaker: Order, please.

* * *

THE BUDGET

INQUIRY AS TO PRESENTATION

Mr. David Orlikow (Winnipeg North): In view of the economic situation and the large-scale unemployment,

will the minister indicate whether he intends to bring forward a regular budget in the next four to six weeks?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I think we should get rid of the present budget first—

Some hon. Members: Hear, hear!

Mr. Benson: —by the opposition allowing us to proceed with the business of the House—the government organization bill and the two remaining days of the budget debate and the legislation involved before we have another budget.

* * *

EXTERNAL AFFAIRS

RUMOURED INVASION OF LAOS BY SOUTH VIETNAMESE TROOPS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to direct a question to the Secretary of State for External Affairs regarding rumours coming from various parts of the world about an invasion of Laos by South Vietnamese troops backed by the American air force. Has the minister received any information from the Canadian members of the International Control Commission, the government of the United States or any other source which he can give to the House on whether such an invasion is actually in progress at the present time?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker. The blackout of news apparently applies to me as it does to everyone else.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Has the minister been in touch with the Canadian representatives of the International Control Commission? If not, will he endeavour to get in touch with them in order that we may obtain some information regarding this rumoured invasion of Laos?

Mr. Sharp: Mr. Speaker, we are, of course, regularly in touch with the members of the International Control Commission. They do not know anything either about the invasion that is being talked about in the newspapers.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the serious consequences that such an invasion could have on worsening the already disastrous situation in southeast Asia, is the minister making representations on behalf of Canada to the government of the United States in the hope that any military activity now going on in southeast Asia will not be accelerated and escalated?

Mr. Sharp: Mr. Speaker, I know how difficult it is to get information about apprehended invasions.

Mr. W. B. Nesbitt (Oxford): Has the minister been able to obtain any information in this regard from our men in Peking, from Peking's representative here or directly from the Viet Cong?

[Mr. Orlikow.]

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a question for the Prime Minister. According to last night's news reports, he is supposed to have had a conversation with the former employees of G. Lapalme Inc. who have been parading in front of the Parliament buildings. Is it true that he invited them to a special banquet where a choice menu will be served?

[*English*]

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

* * *

NATIONAL PARKS

PRINCE EDWARD ISLAND—ESTABLISHMENT OF SECOND FACILITY

Mr. Melvin McQuaid (Cardigan): My question is for the Minister of Indian Affairs and Northern Development. Is it the intention of the government to proceed this year with the development of a second national park in Prince Edward Island and, if it is, what area of the province has been chosen as the site of this park?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have no immediate plan for developing a second national park in Prince Edward Island, but discussions are still going on in this regard with the premier of that province.

* * *

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT—PROVISION OF EMERGENCY FUNDS TO PROVINCES AND MUNICIPALITIES

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question should have been directed to the Minister of National Health and Welfare but since he is not here today, even though his name is on the roster, perhaps I might direct it to the Prime Minister. In view of the apparent build-up of pressure on welfare offices in Canada and the reaction of the disadvantaged, particularly as expressed in Hamilton, is the government giving immediate consideration to providing emergency funds to municipalities and provinces to enable them to relieve the pressure on welfare funds caused by unemployment?

Mr. Speaker: I have the impression that this question was asked yesterday. I may be wrong and, if I am, the minister concerned might wish to reply. But the hon. member will perhaps agree with me that the question was asked in just about the same terms yesterday.

Mr. Marshall: On a point of order, Mr. Speaker, the question is more urgent today, and it will become even more urgent tomorrow and every day.

Mr. Speaker: That is just the point. If that argument were accepted, we would find the same 15 questions asked every day and I wonder whether that would be a proper practice. Perhaps the hon. member would wait a couple of days before he asks the question again.

UNEMPLOYMENT—DELAY IN PAYMENT OF UNEMPLOYMENT INSURANCE CLAIMS IN HAMILTON

Mr. Lincoln M. Alexander (Hamilton West): Is the minister aware that the problem with regard to welfare in Hamilton has been accelerated because workers who are entitled to unemployment insurance have been unable to take advantage of the fund and have been directed to the welfare office. As I understand it, payments covering some eight to 12 weeks have been held back as a result of delay in dealing with cheques. Would the minister look into this situation?

Hon. Bryce Mackasey (Minister of Labour): I will try to ascertain immediately the reason for the delay and report back to the hon. gentleman as soon as possible.

Mr. Marshall: While I am waiting for a couple of days for my answer, would the Prime Minister ask the Minister of National Health and Welfare to announce the plans of the government to cope with the need of the disadvantaged of Canada for immediate relief while continuing discussions are held with the provinces in the course of the next several months?

ASSISTANCE TO UNEMPLOYED IN LIGHT OF SMASHING OF KINGSTON UNEMPLOYMENT INSURANCE OFFICE WINDOW BY BULLET

Mr. John Lundrigan (Gander-Twillingate): I should direct this question to the Minister of Finance, Mr. Speaker, but I will direct it to the Minister of Labour. In view of the fact that last evening a bullet smashed a plate glass window at the Kingston unemployment insurance office, an incident apparently precipitated by an irate insurance claimant, may I ask whether the situation is being investigated and whether the government, and especially the Prime Minister are now willing to offer some measure of possible encouragement to the unemployed in order to alleviate their chronic frustration and anxiety?

Hon. Bryce Mackasey (Minister of Labour): The only thing I can report with accuracy is that the window is being replaced.

Some hon. Members: Oh, oh!

Mr. Lundrigan: I want to direct a supplementary question to the Prime Minister. In view of the present attitude of the Minister of Labour, and in view of the serious disquiet and disunity being hastened and heightened in this country as a result of this attitude—

Some hon. Members: Question!

Mr. Lundrigan: —would the Prime Minister be willing to suggest a modified diet to help all Canadians, especially the bona fide—

Mr. Speaker: Order please.

Inquiries of the Ministry

GRAIN

PRODUCTION AND RECEIPTS POLICY—INQUIRY AS TO ANNOUNCEMENT OF IMPLEMENTATION OF PROPOSALS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I have a question for the minister in charge of the Wheat Board. Will he be making any announcement in the House regarding the implementation, in part or in whole, of the proposals regarding grain income, or does he intend to make such announcement in Saskatoon or Regina in a week's time?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I would expect that any announcement of that nature about the finalization of programs would be made after our discussions with producers and provincial governments have been completed, and that it would likely be made in the House.

Mr. Benjamin: Would the minister assure us that any such announcement about the implementation of proposals or legislation for their implementation will be made in this House before it is made anywhere else?

Mr. Lang: I should like to look at the exact text of the hon. member's question before I give either an affirmative or a negative reply.

* * *

AGRICULTURE

CONSOLIDATION OF FARMS—PRESERVATION OF FAMILY FARM

Mr. John L. Skoberg (Moose Jaw): In view of the continuing and real threat to the existence of small and medium-sized farm units, is the Minister of Agriculture prepared to tell the House whether his study to encourage the adjustment of farm units to a more efficient size has taken into consideration the importance of the preservation of the family farm?

Mr. Speaker: This is a question which is very general in nature. The hon. member might consider that he has made a representation to the minister. Perhaps the question should be viewed from that standpoint. I would not think the minister should be allowed to reply.

* * *

[*Translation*]

EXTERNAL AFFAIRS

CHOICE OF APPROPRIATE LOCATION IN OTTAWA FOR CHINESE EMBASSY

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to ask the Secretary of State for External Affairs a question.

Has he or a representative of his department already taken the necessary steps in order to find suitable accommodations for the Chinese Embassy in Ottawa so that the Chinese Communists will not have to keep on pressing as they are now prepared to settle here?

Inquiries of the Ministry

[*English*]

NATIONAL SECURITY

PUBLIC ORDER (TEMPORARY MEASURES) ACT—PERSONS INCARCERATED AND REFUSED BAIL

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, about ten days ago I asked the Minister of Justice whether he would report to the House as to the number of people still incarcerated under the Public Order (Temporary Measures) Act, no bail having been granted, in view of his recommendation for new bail legislation?

Hon. John N. Turner (Minister of Justice): The question asked by the hon. member was not quite that; he asked me whether anyone was still incarcerated who had not been charged with any particular offence either under the Criminal Code or under the special legislation. I have the answer to that question. There is no person presently detained who was arrested either under the regulations made pursuant to the War Measures Act or the Public Order (Temporary Measures) Act who has not been charged under the regulations or under the Criminal Code. In some instances individuals have been charged under both the Criminal Code and the regulations or under the temporary measures act.

Mr. Woolliams: To clear up a misunderstanding which seems to be spreading across the nation, can the minister tell us how many people have actually been charged under the public order law. I am not talking about the Criminal Code and criminal conspiracy or other crimes. How many people have actually been charged under the public order law, and how many have been refused bail to date and are still incarcerated?

Mr. Turner (Ottawa-Carleton): I cannot break down the figures as between those charged under the Criminal Code and those charged under the War Measures Act.

As of this morning the total number arrested was 497. Those charged number 62; those still detained number 32; 465 have been released and two have been convicted. In other words, 435 were released without being charged and 28 are appearing later on charges.

JOBS LOST BY PEOPLE DETAINED AND RELEASED WITHOUT CHARGE

Mr. R. Gordon L. Fairweather (Fundy-Royal): On a couple of occasions some months ago I asked the Minister of Justice and the Solicitor General how many people had lost their jobs as a result of being apprehended and released, despite the fact that in the great majority of cases no charges were laid. This is important information I should like to have.

Hon. John N. Turner (Minister of Justice): We do not have any definite information. I should like to suggest to the hon. member, who is aware of earlier questions which were put to the Solicitor General, some just recently, that it might well not be in the interest of those who may have lost their employment to identify them in particular terms. I am sure he would not want to do that.

[Mr. Rondeau.]

I might say that the Quebec Minister of Justice has stated that any recommendation by the ombudsman of Quebec to the effect that there may have been personal loss suffered in individual cases, including loss of employment, will be seriously considered by him if such complaint is referred to him by the ombudsman.

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[*Translation*]

CRIMINAL CODE

AMENDMENT OF SECTION RESPECTING CONTEMPT OF COURT

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a supplementary question I wish to direct to the Minister of Justice (Mr. Turner).

Since the Liberal party Convention to be held next weekend intends to submit amendments to Criminal Code provisions relating to contempt of court, has the minister consulted with his fellow members of the cabinet as to their opinions on this question?

Hon. John N. Turner (Minister of Justice): The Criminal Code is being continuously revised by officers of the Department of Justice, Mr. Speaker.

* * *

[*English*]

NATIONAL SECURITY

RETURN OF FINGERPRINTS AND PHOTOGRAPHS OF PERSONS RELEASED WITHOUT CHARGE

Mr. David MacDonald (Egmont): Mr. Speaker, I have a question for the Minister of Justice. In light of the fact that 435 people were detained for a period of time and then released, and that photographs and fingerprints were taken and other records made, can the minister inform the House whether or not these records have been retained or disposed of since these 435 people have not been charged?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, since fingerprints can only be taken of accused persons who have been properly charged, in the case of those persons who were not charged I wrote to the Royal Canadian Mounted Police advising them to return all fingerprints of those arrested but not charged. I am informed by the police that that has been done.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I may have missed the minister's answer, but in the breakdown he gave a few moments ago did he indicate how many of those charged have been granted bail? If he has that information, would he give it to the House?

Mr. Turner (Ottawa-Carleton): Sixty-two less 32, which makes the answer 30.

EXTERNAL AFFAIRS

REPRESENTATIONS RESPECTING RELEASE BY RUSSIA OF VALENTYN MOROZ AND SVIATOSLAV KARAVANSKYI

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is for the Prime Minister. In view of the fact that the Ukrainian population of Canada is still celebrating the 53rd anniversary of the proclamation of independence of the Ukrainian national republic, and in view of the fact that many Ukrainians were illegally sentenced to concentration camps in Soviet Russia for exposing terror, racism, intellectual and cultural persecution and injustice against Ukrainians and other minorities in the U.S.S.R., would the Prime Minister inquire when he meets with Kosygin, Brezhnev and Podgorny about the release of Valentyn Moroz and Sviatoslav Karavanskyi who have been sentenced for acts of conscience which are described and guaranteed by the United Nations declarations as basic human rights?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the hon. member would give me the names in writing I will consider making representations.

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GRAIN

FORWARD BARLEY SALES—USE OF FUTURES MARKET

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the minister in charge of the Wheat Board. Is the Canadian Wheat Board making forward barley sales commitments for the crop year 1971-72 and, if so, is the Board using the futures market for this?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the board is indeed making some forward sales, but I do not think it would be in order for me to comment further on their technique or style of selling.

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THE BUDGET

SUGGESTED WITHDRAWAL—COMPLETION OF DEBATE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the President of the Privy Council in his capacity as Government House Leader. In view of the expressed desire of the Minister of Finance to get rid of the last budget, which in the main includes a continuation of the 3 per cent surtax, will the Government House Leader now be asking unanimous consent to remove the budget from the order paper and thus get rid of it in that way?

Mr. Speaker: The hon. member for Brandon-Souris.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker.

Mr. Speaker: Order. I am not sure whether a supplementary should be allowed. The hon. member for Winnipeg North Centre might have a different question to ask.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, if the minister is not prepared to meet the request of the Minister of Finance to get rid of the budget, when will he bring it forward for further debate?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, there are a number of other items that I should like to get rid of before the budget if I could set priorities, but I will give the House an opportunity to spend two days on the budget later this month.

Mr. Speaker: Order. Since we have not much more than ten minutes left, I wonder whether I could suggest to hon. members that we try to limit supplementaries.

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COMMUNICATIONS

MEMINI SATELLITE PROJECT—INVOLVEMENT OF FEDERAL GOVERNMENT IN DISCUSSIONS BETWEEN QUEBEC AND FRANCE

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Secretary of State for External Affairs, and it arises from the recent announcement of the government of Quebec that it is involved with the government of France in that country's telecommunications satellite project Memini. Can the hon. gentleman advise the House whether the Canadian government has been officially informed of the matter, and is it involved in discussions on this international project?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, it is my recollection that I did answer this question quite recently. If not, I will undertake to get an answer for my hon. friend, but I think I answered an identical question two or three weeks ago.

* * *

THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—EFFECT ON TRANS-CANADA PIPE LINES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Energy, Mines and Resources whether, following his reported meeting with an executive of the Home Oil company today, he has anything further to report beyond what he said yesterday?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there is nothing further to report. Discussions are continuing. We will continue to make every effort to assure the continuation of the Home Oil company as a Canadian company. There is nothing specific to report except that we have had further meetings and those meetings are continuing.

Inquiries of the Ministry

Mr. Stanfield: Has the government directed its attention in any particular way to the control of Trans-Canada Pipe Lines and the extent to which this company might be affected?

Mr. Greene: Mr. Speaker, Trans-Canada Pipe Lines is, to the best of my knowledge, something like 90 per cent or more Canadian owned, and from what I have seen to date I do not think that these purported transactions would affect the continuation of Trans-Canada Pipe Lines as a Canadian owned and Canadian controlled company.

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POST OFFICE

INQUIRY AS TO INCREASE IN FIRST CLASS MAIL RATE

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Minister without Portfolio in charge of the Post Office. In view of the fact that the United States has increased its rate for first class mail to eight cents, is it the intention of the Canada Post Office to increase its first class mail rate?

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, it may not be because the United States is increasing its rate, but right now we are studying this question.

* * *

EXTERNAL AFFAIRS

UGANDA—INQUIRY AS TO GRANTING OF DIPLOMATIC RECOGNITION TO NEW REGIME

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I direct my question to the Secretary of State for External Affairs. Can he inform the House what the policy of Canada is with regard to the recognition of the new government of Uganda?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Like most other countries of the world, Mr. Speaker, we are still watching events closely. We have not yet decided what action we shall take.

* * *

INDIAN AFFAIRS

INQUIRY AS TO INTRODUCTION OF AMENDMENTS TO ACT

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I should like to address my question to the Minister of Indian Affairs and Northern Development. Since this seems to be the day when we are trying to get rid of things, can the minister give the House some indication when he will put forward some proposals in respect of the Indian Act, so we may be able to get rid of something that commits many Canadians to be wards of the government?

[Mr. Greene.]

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, a year and a half ago I suggested that the Indian Act be amended. However, hon. members know that the Indians are not ready to cross that bridge and that we will be unable to legislate in this field until we obtain the consent of the majority of Indians.

* * *

[*English*]

FINANCE

CAPITAL WORKS FUNDS OFFERED TO MUNICIPALITIES IN BUDGET—RESTRICTION ON USE FOR SOIL EROSION AND POLLUTION CONTROL PROJECTS

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, I have a question for the Minister of Finance. Has the minister asserted that the capital works funds offered to municipalities in the last budget may not be used for soil erosion and pollution control projects at the Toronto lakeshore? I ask this question in view of a letter written to—

Mr. Speaker: Order, please. The hon. member should not ask a question in those terms. He cannot ask whether the minister has made a statement. However, I am sure hon. members will agree that the question is important and if we can assume that it has been asked correctly the minister might like to reply.

Hon. E. J. Benson (Minister of Finance): The answer is no, Mr. Speaker.

* * *

[*Translation*]

POLLUTION

REPORT ON INQUIRY INTO MERCURY CONTAMINATION OF RIVERS FLOWING INTO JAMES BAY

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to put a question to the Minister of Fisheries and Forestry.

Could he advise us whether the inquiry on the source of mercury pollution in James Bay is finished? Has he received information in this respect and will the report be made public?

[*English*]

Hon. Jack Davis (Minister of Fisheries and Forestry): We are looking into this matter and will report shortly.

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ENERGY

INCREASE IN NATURAL GAS SUPPLIES—ADDITIONAL PIPELINES TO EASTERN CANADIAN MARKET

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I should like to ask the Minister of Energy, Mines and Resources whether he is aware of recent reports from

Alberta that natural gas supplies are increasing constantly, and if he is prepared at this point to convene a conference or meeting with the natural gas producers of western Canada to discuss the feasibility of constructing additional pipelines for the distribution of natural gas to the eastern Canadian market?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I have seen some of the recent reports as to the new finds. I believe they are of limited amounts. Under our system, if these new finds justify the construction of new lines the private entrepreneurs would make application to the National Energy Board, and the feasibility of the construction of such lines would be considered by that board which would make recommendations to the cabinet.

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BANKRUPTCY

MEASURES TO FORESTALL FURTHER BUSINESS FAILURES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Minister of Finance. In light of the dismal fact that the year 1970 saw over 2,200 businesses fail in this country, representing liabilities totalling $265 million, can he advise whether he has any plans for measures to forestall a further decline in Canadian business operations?

Mr. Speaker: Order, please. The hon. member is asking a question which is very general in its terms. He is inviting the minister to give information which should be given by way of a general statement rather than at this time.

[*Later:*]

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Minister of Finance. In view of the 841 bankruptcies in the metro Toronto area in 1970 and the closing of countless more small businesses, as well as unusual high unemployment across the country, will he not only get rid of the present budget but will he bring down an early emergency budget designed to relieve the general malaise in the country?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

* * *

POLLUTION

CONTAMINATION OF TRENT RIVER BY DOMTAR PULP AND PAPER AND BATA SHOE COMPANIES

Mr. Andrew Brewin (Greenwood): Mr. Speaker, at this moment of transition I am not sure whether I should address my question to the Minister of Energy, Mines and Resources or the Minister of Fisheries and Forestry. Since it concerns pollution perhaps I should address it to both.

Inquiries of the Ministry

Has the minister been informed of the report of the Ontario Water Resources Commission that tons of polluting wastes are being poured into the Trent River, and hence into Lake Ontario, by Domtar Pulp and Paper and the Bata Shoe Company, and will he consult with the Ontario authorities to put an end to this pollution of our navigable waters?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer to both of these questions is yes, Mr. Speaker.

* * *

[*Translation*]

REGIONAL ECONOMIC EXPANSION

GRANT TO NORTHWESTERN QUEBEC SOCIAL DEVELOPMENT COUNCIL—REQUEST FOR INFORMATION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my question is important enough to be directed to the right hon. Prime Minister.

A few days ago the Minister of Regional Economic Expansion issued a release to the effect that a subsidy of $22,265, had been granted to the Conseil de développement social du Nord-Ouest québécois. I wonder whether the Prime Minister could obtain information concerning this subsidy to a half dozen socialists of Rouyn-Noranda who are financing a group known as "le block" and seek to upset and destroy everything in Canada instead of constructing—

Mr. Speaker: Order, please.

Mr. Caouette: Could the right hon. Prime Minister have an inquiry made on this subject?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I shall take note of the question of the member and take up the matter with the Minister of Regional Economic Expansion.

* * *

[*English*]

NATIONAL PARKS

ONTARIO—ESTABLISHMENT OF FACILITIES IN PACKESHAW RIVER AND GEORGIAN BAY AREAS

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. Can he say whether the government plans to establish two new national parks in Ontario this year, one in the Packeshaw River area and one in the Georgian Bay area?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker—

[*English*]

Mr. Speaker: Order, please. I propose to allow the minister to reply to the question because he was allowed to reply to a similar question asked about another part of the country. I have cautioned hon. members before that

perhaps this kind of question should normally be placed on the order paper. In any event, the question has been asked and the minister should be allowed to reply.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I am pleased to answer that question because I seldom have the opportunity to answer questions from government members.

We should be very happy to develop a few national parks in Ontario because there is a need for them. However, in order to do so, we must obtain the co-operation of the Ontario government which, to my mind, is a little slow in coming.

[*English*]

Mr. Foster: Mr. Speaker, in view of the minister's reply, will he assure the House that the government will take its responsibility to the people of Ontario seriously and go ahead with the establishment of parks with or without the co-operation of the provincial government?

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, when the minister is reviewing the parks in Ontario will he consider the Trent Canal area as a national park?

* * *

[*Translation*]

YOUTH

INVITATION TO SEND DELEGATES TO COUNCIL OF SOCIAL DEVELOPMENT CONFERENCE

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I want to direct a question to the Secretary of State.

Can he now answer to the question I put to him on Monday about the Youth Conference? Could he also tell us whether the government will contribute to this conference the way it did to the Conference on Poverty in Toronto the other day?

Hon. Gérard Pelletier (Secretary of State): Upon inquiry, Mr. Speaker, after the hon. member asked me this question for the first time, we did not receive any invitation from the organization he named and this would have been the normal way to know of its existence. We have received no invitation.

* * *

[*English*]

NORTHERN AFFAIRS

INQUIRY AS TO TABLING OF NORTHWEST TERRITORIES LAND USE REGULATIONS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. When will the land use regulations for the Northwest Territories be tabled in the House?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we shall be able to table these regulations once we have had consultations with the representatives of both governments elected during the fall, and I hope that the meetings with the members of the Council of the Northwest Territories will take place in the next few weeks.

* * *

[*English*]

THE CANADIAN ECONOMY

KIND OF CONTROLS RECOMMENDED BY MINISTER OF LABOUR

Mr. S. Perry Ryan (Spadina): Mr. Speaker, will the Minister of Labour make clear to the House just what kind of economic controls he is recommending to the government, as there seem to be differing stories?

Mr. Speaker: Order, please. Again, this is a general question and I doubt whether the minister should be allowed to make a statement of a very general nature. Perhaps the hon. member would like to rephrase the question in order to obtain the information in another way.

Mr. Ryan: There have been differing stories, Mr. Speaker, and I think the minister should be given the opportunity to clear up the situation.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I thank the very courteous hon. gentleman for giving me an opportunity to correct an implication he unintentionally left the other day during the question period. He suggested then that I had recommended wage and price controls. What I did say, as reported in *Hansard* is that I recommended selective controls.

* * *

CRIMINAL CODE

UNITED CHURCH RECOMMENDATION OF REMOVAL OF ABORTION PROVISIONS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is to the Minister of Justice. In view of the appeal to the government by the general council of the United Church of Canada for the removal from the Criminal Code of all sections pertaining to abortion, will the minister say whether we can expect such legislation during this session?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I certainly have noted the reports of the resolution of the United Church of Canada. This will provide an additional subject for debate when the House devotes some time to that subject later this session.

Mr. Nystrom: Can the Minister of Justice or the Prime Minister inform the House when we can expect that special one-day debate as promised in the throne speech?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I should like to consult with the House Leader in that regard.

OIL

POSSIBLE STOPPAGE OF OFFSHORE SUPPLY—CONTINGENCY PLANS FOR EASTERN CANADA

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I have a question for the Minister of Mines, Energy and Resources. Will he indicate whether the government has any contingency plans for supplying oil to eastern Canada in view of a possible stoppage of supplies from the Middle East and Venezuela?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the National Energy Board has had the situation under very close surveillance since the commencement of the negotiations between the OPEC producer countries and the oil companies, and I am satisfied that all possible steps are being taken to assure the maximum emergency supply by reason of full use of storage and pipeline facilities in the event of a shortage.

Mr. Speaker: Orders of the day.

• (3:30 p.m.)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Tuesday, February 2, consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: Order. When the committee rose last evening Clause 3 of the bill was under consideration. Shall Clause 3 carry?

On Clause 3—*Department established.*

Mr. Harding: Mr. Chairman, Part I of Bill C-207 deals with the establishment of a Department of the Environment, and during second reading we had some very interesting debate on this matter. I, myself, made some suggestions to the government but I am quite sure they have received little attention from the minister. Nevertheless, I hope that if I reiterate some points, consideration will be given to them by hon. members and by the departments concerned.

I think that the name "department of the environment" is a misnomer. Everybody would like to see a department of the environment set up. I do not want to be misunderstood on that score, but it seems to me that such a department should be able to deal with all environmental problems all across our nation, and that the environmental aspects of work being done by other departments should come under its scrutiny and control. Unless we

get that type of control in one department, which will co-ordinate our attack on pollution problems, we will not get the job done that should be done.

During the debate on second reading I said that a department of the environment should not be responsible for any specific resource. Once you have a resource department established, its work is primarily directed toward the economic development of that particular resource. If resource development and environmental problems are mixed too closely, there will be major conflict between those in the department who are anxious to see the exploitation of a resource and those who insist that its development be strictly controlled in the interests of the environment.

A real department of the environment should be able to set national standards and co-ordinate enforcement activities. For that reason, I think the government has made a blunder with respect to its proposals in this part of the bill. I repeat that I am not objecting to the establishment of a department of the environment. We should have such a department but it should supervise all the activities of government connected with environmental matters, including fisheries and forestry, water resources and our Arctic areas. To exclude supervision over our Arctic areas from the responsibilities of this department does not make sense.

Only recently we passed an Arctic pollution bill, but responsibility for it is not being transferred to the proposed new department. Our northern territories comprise over 40 per cent of our land mass, but control in this area will still rest with the Department of Indian Affairs and Northern Development. A better name for the new department proposed in this bill would be the department of renewable resources. While I am critical of the fact that we are not moving far enough, I must say that in this legislation we have moved further toward pollution control than we have in any other legislation on our statute books.

Canada has an opportunity to take a worldwide lead in dealing with environmental problems. Again, I repeat that we will never adequately solve our pollution problems, or those of the world, until we realize there are three main things linked closely together and which cannot be separated. We may make some progress in some fields, but we will never do a thorough job of pollution control unless we look into these three aspects and their relation to environmental pollution.

• (3:40 p.m.)

One deals with population planning. I am thinking not only in terms of Canada but of the world. We can cut the worldwide pollution rate in half, and yet if the population doubles, there will be as much pollution as there is today, and possibly more. We have to tie our plans to the plans of the United Nations and of other international agencies.

Then, we come to resources. Again, exploitation of resources is linked extremely closely with pollution problems. In the future, I foresee a department of environment coping with this type of resource development and the allocation of our raw materials. One matter which

should be considered by the department of environment is the recycling of materials which we have been using and which we currently have in this nation today. This is where the source of our pollution problems. We are one of the most wasteful nations on the face of this earth. Other nations, such as the nation to the south of us and other industrial nations, face a similar problem.

We dig out minerals in one section of the country, and after they have been through one cycle of use we discard them. Very little effort has been put into recycling. Until we get down to this type of planning and research, we will just be batting our heads against a stone wall so far as adequate pollution control methods are concerned. This is why I stress the absolute need for a department that can overlook the departments concerned and work out a sensible type of approach toward pollution problems.

I will make several suggestions to the government and to the minister. I think that the department of environment should take the responsibility for coordinating and enforcing all current environmental legislation. The way this new department is set up it would not do this. There is nothing in the legislation which provides for the new department enforcing control legislation which we already have on the statute books today. This is why we are in trouble, and why we have stressed this apsect on numerous occasions. It does not make sense to pass laws if they will not be enforced. We have numerous examples of this all over the country.

We would not have a pollution problem in Canada today if we had enforced the regulations which we currently have on the statute books. This lack of enforcement has resulted in the mess we have in the Great Lakes and in the pollution of our navigable rivers. The objective of a department of environment should be to make certain that these regulations are co-ordinated, and that the departments concerned are forced to make sure that companies, individuals, municipalities and others live up to the legislation which is already on our statute books. We have not done this job.

The second point is that any department of environment should be given the task of scrutinizing all activities in the country for their potential environmental impact. I will give you an example. We should have the power we need for this scrutiny under the Navigable Waters Protection Act if, for example, British Columbia decides to build a hydro plant on a river. However, B.C. hydro today is not responsible to any department of government. It does not have to produce a plan to the federal government to show that the building of that hydro plant is a sensible thing.

We should make certain that someone oversees projects of this nature. Some department should be able to say that this project is either beneficial and economic or it is not. It does not make sense to build a dam, thereby flooding hundreds of thousands of acres and doing immense damage to the ecology, without some kind of scrutiny. There is nothing in the statutes today that can stop this type of project from being built with the resultant damage to ecology.

Mr. Perrault: Hear, hear.

Mr. Harding: This is why we are asking for amendments to the bill and for a department which is strong enough to oversee activities of this nature. I will suggest to you that public bodies all over the country, as well as individual citizens, are interested in this type of approach being taken toward such projects. I have just referred to hydro plants. Other types of development could be considered, such as the building of a pipeline down the Mackenzie valley or the drilling for oil up in the north. There must be someone to ensure that our regulations and our basic approach are sound, so that we can leave Canada to future generations in better shape then we found it. But I am afraid that is not going to be so.

There is a third point. I think the department of environment should establish positive reclamation programs for those parts of the country which have already suffered damage. Again, this is an overriding consideration in spite of the narrowness of the bill before us. It does not matter in what part of Canada such damage occurs or in what fields, if damage is being done this department should be able to set up some kind of positive reclamation program and take it to the governments concerned. I am referring to the federal and provincial governments. They should say that this is the type of program needed to reclaim some body of water, some piece of land or some section of air that has been fouled to the point where it is dangerous to the health of Canadians. This bill does not give these powers. Certainly, it is a step forward, but it does not give us the overriding power which we need.

The fourth point I mentioned earlier was that the department should have the power to develop a population policy for this country and to relate it to the resource activities about which I have just spoken.

There are one or two other suggestions which I made the other day which I would like to repeat. I am quite convinced that the government will not set up the type of department which I have outlined. If they will not do that, I suggest the least they can do is to set up an environmental council of Canada similar to the Economic Council of Canada. The environmental council of Canada could be a Crown corporation, but it should be a body that has the power to do a great deal of research. It could act as an adviser to government departments. If there is anything that is desperately needed in Canada, it is a council of this type. It could even work with the over-all department of environment which I suggested should be set up. This is the type of independent body that we need. It should be divorced from the government and should be capable of being extremely critical of government policy, government programs and government direction. I will urge the new minister of the department, once he is appointed, that it be one of the first and main objectives of his department, to get this council rolling. Do not let us wait for six months or six years before setting up this council. We need the advice which such a council can give us.

• (3:50 p.m.)

The Chairman: Order, please. I regret to interrupt the hon. member. I do so to advise him that his time has expired. Shall clause 3 carry?

Mr. Rynard: Mr. Chairman, I wish to make a few comments about the appointment of the minister of the environment consequent on passage of this bill. I will deal with the Problem of pollution. A minister responsible for environmental matters is needed; the task is large. Pollution is one of the major factors in the lives of the people of this country today. Pollution could actually destroy this country. It is probably as lethal as any war or as any intercontinental missile could be. It affects the water, the land, the air; it can involve noise and waste and it is something that parliament has to consider from all angles. In the first instance, pollution is a disease of society and of science. Scientists learned how to control and prevent epidemics, thereby enabling more people to live longer and reproduce. We see the pollution of war, war which has been made possible through the advances of medical science. If science had not advanced, modern war would be impossible. If science had not been able to conquer and then prevent epidemics involving certain diseases, we should not be here arguing about the matter of pollution germ warfare would have looked after that.

The increase in population brought urbanization. As science made further inroads on disease more people were enable to live longer and reproduce. Consequently, the population of the world has grown and will double in the next 30 years. More people have become urbanized. More people moved to the cities and created the problem of pollution. Under sanitary procedures of other days, people poured raw sewage into the rivers and lakes. The rivers and lakes were able to absorb small quantities of raw sewage. But, as city populations grew, the volume of sewage dumped into rivers and lakes also grew. The rivers and lakes could not cope with those large quantities and became more and more contaminated. Today some cities of Canada, particularly on the Atlantic and Pacific coasts as well as those situated on large rivers flowing into the ocean pour raw sewage into the ocean. Cities along the Great Lakes have sewage treatment facilities that are unable to meet the demands made on them so there are overflows of raw sewage. Also, sewage going to the lakes, rivers and streams is finally being deposited in the ocean.

As we know, the people and animals on the earth would be unable to breathe and, hence, unable to live if they could not obtain oxygen. An hon. member said the other day that 70 per cent of our oxygen comes from the ocean. It is produced in the ocean by micro-organisms. The ocean is becoming polluted, and we are discovering that is having an effect on fish such as, for example, swordfish. We were informed in the House that swordfish contain levels of mercury dangerous to human beings eating the fish. Other fish, also, are contaminated with quantities of mercury and are unfit for human consumption. In many cases, these mercury levels may be bringing about mutations and other undetermined problems. We also know that pollution is destroying those organisms which enable fish to transform the food they feed on into protein. I refer to protein dialysis by plankton. We can see that there is a vicious circle here.

In Canada we have tried to control pollution by introducing legislation such as the Canada Water Act. We have set up authorities under this Act such as the authority in the Northwest Territories which the hon. member who just spoke mentioned, as well as other authorities on the coast under the department of fisheries. Although the Canada Water Act does contain some good provisions, its effectiveness depends largely on co-operation and co-ordination with the provinces. The new minister of the environment must be able to get along with the provinces. There must be communication both ways. The government must be far seeing, and make sure that the old gag we have seen pulled over and over again is not pulled in this area. No one must say, "We will do our share if the other fellow does his share." To be effective, the authority in this matter must be vested in Parliament. I am not saying that provincial rights should be eroded; they should not be. Nevertheless, there must be an indication that we are to move more quickly than in the past and with a better chance of success in this area.

As well as considering the matter of water pollution, we ought to consider the problem of industrial pollution. We have seen factories pouring refuse into our rivers and lakes and polluting them. For instance, the pulp and paper industry and other industries are pouring chemicals and waste products into our lakes and rivers. I sometimes wonder how many industries will be closed down as a result of proceedings taken against them to enforce the law against pollution. What provision is being made to help industries that are financially unable to handle this situation?

In other words, I am asking myself this question, Mr. Chairman, and I think most people here are also asking themselves this question: is it better to ask an industry to move to one of the regional areas and support it with subsidies, even though there is a risk that the industry will not be successful, or is it more businesslike and to the point to keep that industry where it is and assist it to clean up its pollution problem? I do not think this government has grasped that point at all. I think it has run wild all over the land, and particularly in the east. I think its regional incentive program has become an equalization payment program. I think the minister of the new department should consider those points carefully. We are told that there are between 600,000 and 800,000 unemployed; no one knows the exact figures. Could it be that as many as 900,000 are unemployed? The unemployed need our help. They want to work. Extreme caution must be used, and perhaps special treatment given in some cases, to help industry clean up its sewage problem.

We must also consider the people who are paying the 3 per cent surtax which was continued this year. The money these people are paying in taxes is paid out under these incentive programs. I think the provincial and federal governments ought to consider carefully what should be done about an industry that may be polluting.

It may cost little to clean up that pollution. Nevertheless, because of taxation and as a result of sticking to certain guidelines, the profits of such industries may have been so low that they do not have the necessary money with which to clean up the problem. I do not think it is good sense to close an industry merely because it is polluting, thereby causing hundreds of people to become unemployed. There is far too much of this. It does not add up to good common sense to spend ten times the amount of money we would spend on pollution control to establish a new industry in a regional area.

• (4:00 p.m.)

When dealing with the problem of pollution, we must also consider air pollution. Year after year Members of Parliament have seen the air over this city become polluted. Pulp mills and industry across the river in the neighbouring province have been polluting the air. Year after year people have been upset by the fumes they have been breathing, yet Parliament has not done anything about this. I wonder what the new minister of the environment proposes to do about air pollution since air knows no boundaries. This jurisdictional problem relates to the provinces, but also to the United States.

What is going to be done about the problem of air pollution caused by motor vehicles in our large cities? In the United States, as well as in large cities such as Toronto, over 50 per cent of air pollution is due to this cause. This occurs mostly in the rush hours. Pollution forms an umbrella over a city and descends during a rainfall. In addition, pollution causes disease, certain morbidity and a certain amount of sickness. Some authorities have stated that 25 per cent of illness may, partially or wholly, be caused by pollution.

On occasions hundreds of people have lost their lives because of air pollution. Almost 5,000 people in the city of London died in one period of fog. The smog and chemicals irritated the bronchial tubes to the point where these people actually died. These things must be carefully considered, because they are part and parcel of the whole problem. The larger our population becomes, the more pollution we will have. Will the minister of the environment deal with the problems of population control, urbanization, how many people shall live in cities and how many shall live in rural areas? I wonder what the thought of the minister will be on that subject. Something must be done about those problems. It is people who pollute.

I will not deal with all the problems that beset us. I think it proper that we have a minister of the environment. I see the Minister of Fisheries and Forestry (Mr. Davis) in the chamber. I do not want him to get a swelled head because that would be bad. However, his work has been very good; his answers honest and carefully thought out. We must have this type of minister if we are going to do more than just a bit of fancy dressing.

I now want to deal with the question of how this new department will control the problem of pollution. How many committees will be established to deal with the provinces? Population, air and water are interprovincial and intercountry matters. These problems have not been dealt with as yet. There will be problems with respect to people. Perhaps it will be necessary to relocate them. How will the population of the large cities be controlled? Recently, a bill dealing with abortions was passed by this House. There now seem to be some unsatisfactory aspects of the bill. I am in favour of creating a department of the environment. I believe it is necessary. One cannot be against motherhood or anything that proposes to clean the air, water, and soil.

I now wish to deal with the matter of pollution of Parliament. Included in this bill are matters which will pollute Parliament. I will now dwell on the pollution of Parliament. Departmental ministers are a necessity. We cannot say anything about them in so far as pollution is concerned. The ministers without portfolio are allowed to be foot loose. How many will be appointed? This may be a source of pollution. I have already dealt with the problems of population. I now wish to deal with the proposed increase of ministers without portfolio and ministers of state. The five additional ministers of state will have designated purposes. However, what will the ministers of state without designated purposes do? Are they going to pollute the place with Bureaucracy? Are they going to help the departmental ministers? We would like to have these answers.

The Chairman: I regret to interrupt the hon. member, but I wish to point out that we are dealing with clause 3. Hon. members should stay as closely as possible to the clause under discussion.

Mr. Rynard: I am dealing with clause 3, Mr. Chairman. I am still dealing with pollution. I have raised the matter of pollution of Parliament. People pollute and noise pollutes. I am going to stick to that, Mr. Chairman. It can be included under environmental studies.

The Prime Minister (Mr. Trudeau) established regional desks. They help to cause pollution. They may even pollute the government with wrong opinions, I do not know. My information is that the Prime Minister's office costs the Canadian taxpayers $500,000. This figure may now be increased to $600,000 or more. It cost less than one quarter of that amount ten years ago.

I do not say that the civil service superannuation at 50 pollutes because that may even be stretching my ideas a little. However, I would like to know what this proposal is going to cost the Canadian taxpayer. I note that Your Honour is looking at me quizzically. I asked what was going to be done about cleaning up pollution in industry. I am now asking the same question with regard to this aspect. What is the cost of establishing a new minister of state? There is the cost of office space, new furniture and telephones.

The Chairman: Order, please.

Mr. Rynard: Would $100,000 cover this cost?

• (4:10 p.m.)

The Chairman: Order. I hesitate to interrupt the hon. member but I would direct his attention, and the atten-

tion of all hon. members, to the terms of Standing Order 55(2). Perhaps I should read it:

Speeches in Committee of the Whole House must be strictly relevant to the item or clause under consideration.

I would ask the hon. member to bring himself back to clause three of the bill which deals with the establishment of a department of environment and the designation of a minister of environment.

Mr. Lundrigan: Mr. Chairman, how can we discuss the relevance of setting up a department, as this bill seeks to do, if we cannot relate it to the other parts of the bill? The government has brought in an omnibus bill which should have been ruled out of order—

The Chairman: Order, please. I am sure the hon. member was listening to the hon. member for Simcoe North. He was really, in my opinion, speaking on other parts of the bill which relate to the establishment of ministers of state and departments of state. Those clauses will be before the committee for discussion in due course.

Mr. Rynard: Perhaps there is a fine dividing line to be drawn, but I do not think there should be any trouble about making the connection between this clause and the pollution of parliament; the item applies very clearly and honestly, it seems to me. However, I do not intend to hold up the House. I shall content myself by expressing regret, once again, at the creation of a bureaucracy within the government itself which could provide practically everyone on the government benches with a subsidy sometime within the life of this Parliament. I have some good friends on the other side. I hope they are all friends of mine, as I am of theirs. But I say this: when you can offer bribes and incentives, as is the case here, we are entering a very dangerous phase in parliament. I wonder about the fellow who has to pay the 3 per cent surtax? How does he feel about those new expenditures?

Some hon. Members: Order.

The Chairman: Order. I interrupt the hon. member to advise him that his time has expired.

[*Translation*]

Mr. Caouette: Mr. Chairman, clause 3 of Bill C-27 states as follows, and I quote:

There shall be a Department of the Government of Canada called the Department of the Environment—

That covers some ground!

—over which the Minister of the Environment appointed by commission under the Great Seal of Canada shall preside.

Subclause (2) states:

The Minister of the Environment holds office during pleasure and has the management and direction of the Department of the Environment.

That is clear enough. It is an invitation for us to discuss all related matters. A Minister of the Environment is a minister of the environment. I have been rather surprised to see a bill introduced to establish a Department of the Environment.

At a time when all ministers are complaining about a lack of funds to administer their department, the government introduces a bill to set up a new department, that of the Environment. The environment of other ministers, or what? This new department will obviously call for new expenditures! This is a repeat performance of what has been going on for two and a half years with the setting up of commissions and boards: an inquiry board here, a commission there, a commission report, the setting up of a new commission to inquire into the report of the previous commission. We are going from one commission to the other without really knowing where we are heading.

We have established a royal commission on bilingualism at a cost of approximately $15 million to the taxpayer so that we could learn that english is spoken in western Canada and French in the province of Quebec. We did not learn anything else from that commission.

And the Department of the Environment involves new expenditures.

While existing problems go begging for a solution, the government appoints new ministers and new parliamentary secretaries, thereby increasing administrative expenses in the hope of some final solution to Canada's economic problems.

We want to create jobs. However, the more we dwell on the subject, the more the number of unemployed people in Canada increase! And a further increase of their number is forecast within a couple of months, although some slowdown is foreseen thereafter. Meanwhile, the government introduces bills establishing departments.

I earnestly believe that we need no Department of the Environment at the present time, but a national credit office to provide the ministers now in office with the money they require adequately to run their departments.

[*English*]

The Chairman: Order, please. At the beginning of his remarks the hon. member read the clause which is under debate. I think his comments were relevant for a short time but I doubt that they are now. Perhaps I could ask the hon. member, and all other hon. members who intend to speak on clause three, if they would, in the course of the particular proceedings upon which we are now engaged in Committee of the Whole, observe the Standing Order and keep their remarks relevant to the subject under discussion.

[*Translation*]

Mr. Caouette: Thank you, Mr. Chairman, Clause 3 of the bill deals with the creation of a Department of the Environment; I would like to know whether under our Standing Orders anything prevents me from moving that clause 3 be replaced by another one, dealing with the creation of a department of national credit, so as to reach a convenient solution. As a matter of fact, clause 3 states, and I quote:

(1) There shall be a department of the Government of Canada called the Department of the Environment—

I suggest that the word "Environment" be replaced by "National Credit" in an effort to help out the Minister of Industry, Trade and Commerce (Mr. Pepin) and all the other ministers, who are always strapped for funds.

Mr. Chairman, I am certainly going to be told to propose an amendment to clause 3, and I would be tempted to do so. I would probably have more to say, but under the circumstances, I suggest that the bill does not solve the problem of the organization of the government. The establishment of a Department of the Environment is useless. This is not what Canada needs; the country needs something which will not contribute further to increase taxes for the people, without involving any benefits.

I said a while ago that all kinds of commissions and departments have been established. If we do not have enough, we will establish some more with the consequential bureaucracy. As usual, that will create jobs. There is no mistake about it, it will be possible to appoint bureaucrats.

In my opinion, the establishment of a new department will not serve the best interests of the Canadian population. I challenge the government to prove to me that the establishment of a Department of the Environment will solve the problems which confront us at the present time.

I have plenty of comments to make on that bill as a whole and I will wait until third reading to say exactly what I think and at the same time offer the solutions which we advocate to replace poultices on wooden legs which are being proposed in Bill C-207, and more particularly in clause 3, which provides for the establishment of a new Department of the Environment. At the present time, we already have too many departments.

• (4:20 p.m.)

[*English*]

Mr. McCleave: Mr. Chairman, I rise on a point of order?

The Chairman: Order. The hon. member for Halifax-East Hants on a point of order.

Mr. McCleave: My point of order is this. This bill was put on the order paper in the name of the Prime Minister and, in its initial stages, has been dealt with by the President of the Treasury Board. I am wondering which of the two ministers now in the House is responsible for carriage of the bill through this particular part of the debate. I think hon. members should know this so they know with whom they can engage in debate.

Mr. Davis: Mr. Chairman, I am following this bill as Minister of Fisheries and Forestry.

Mr. Thomson: Mr. Chairman, I have a question for the minister of Fisheries who I understand is responsible for the bill. If I am satisfied with his answer it might save the committee a speech. If the minister has answered this question previously, I am not aware of it.

What is the rationale behind the fact that the Arctic waters pollution legislation, the Navigable Waters Protection Act, the shipping act amendments and the National Parks Act do not come within the purview of the new minister of the environment?

Mr. Davis: Mr. Chairman, if I may answer this question, the new department of the environment cannot possibly cover all aspects of the environment. The environment is a very wide subject. The department's main role will be one of co-ordination. There are a number of other departments which in their own way must have an impact on the environment—for example, the Department of Transport in the area of shipping. The Canada Shipping Act deals with a very effective federal power; and the amendments currently being introduced to the Canada Shipping Act, for example, deal very effectively with one aspect of pollution, namely spills from vessels on the high seas, in Canadian territorial waters and fishing zones or indeed in navigable fresh waters in Canada. So, the Department of Transport is clearly involved in the part of the bill dealing with pollution.

Then, there is the Arctic seas pollution bill and the northern inland waters bill. In many ways the Department of Indian Affairs and Northern Development is like a provincial government. It has the equivalent of provincial powers in the north. It must exert powers in respect of rivers, streams and the islands of the north. Legislation pertaining directly to the north is generally administered by that department, as is similar legislation administered by the provinces—that is, the properly instituted provinces of Canada.

Mr. Thomson: Mr. Chairman, may I briefly say that I accept the explanation of the minister with regard to the Arctic waters bill. The explanation sounds quite reasonable and, after thinking about it, I understand the rationale quite well. I am less sure about the amendments to the Canada Shipping Act, though. The minister did not mention the National Parks Act, either. Could he explain why the National Parks Act will not be administered by this new department of the environment?

Mr. Davis: Mr. Chairman, there is obviously a close relationship between the environment and parks. The administration of parks, however has been closely linked to other elements of administration in the department of northern affairs. The wildlife service, which is being transferred, will continue to act in a support role to the parks branch. The environment department will on occasion be working very closely with northern affairs, which is concerned with parks and the establishment of new parks, indeed the protection of existing park areas. So, one must assume that there will be a measure of co-operation between departments, together with interchange of information and consistent policy.

The Chairman: Has the hon. member for Battleford-Kindersley completed his remarks?

Mr. Thomson: For the moment, Mr. Chairman.

The Chairman: I just wanted to be sure of that.

Mrs. MacInnis: Mr. Chairman, as the minister has said the subject of the environment is so very wide and com-

plicated that it is hard to know where to start. I know everyone in the country as well as in the House, agrees that a start must be made on a plan to protect our environment; that regardless of how we feel about this bill—and there is plenty of criticism in our minds on many aspects of the bill—we should be very glad that at least a beginning is being made to protect the environment through the measures proposed in the bill.

Since there is so much to be done in the way of protecting the quality of water, air, soil and all the other factors involved, it must be very bewildering for the minister to know just where to begin. Not a day passes that there is not some fresh story about pollution on a large scale. In one paper this morning there was a story concerning a large corporation, Domtar, and the pollution it is causing in the Perth region. Stories appear about other corporations almost daily.

I think most of us are glad to see the present minister is minister-in-waiting of this new department because most of us feel he is very much in earnest and will, to the best of his ability, make a start on tackling this tremendous job, even though there are undoubtedly aspects of the protection of the environment that are not dealt with in this bill. As a result, we may find that other arrangements will have to be made.

The job that confronts us all across Canada is a tremendous one, as we discovered during our study of the Canada Water Act. Indeed, it is becoming increasingly obvious. In the minister's province and mine there is much to be done. For example, starting from the eastern portion of the province, we have the strip mining in British Columbia near the Alberta border which has made the landscape into a moonscape—sterile and terribly ugly. Then, we have the mining and logging problems in the provincial parks. Measures must be taken to protect the forests. In British Columbia, for every seven acres cut only about one acre is reforested, and we know it takes about 75 years to regrow marketable timber on the mountainsides. Then, the Utah Mining Company dumps tailings into the tidewater on the far side of Vancouver Island. And so, on I could go.

I know that the minister will agree that it is not a complete answer to say that provincial jurisdiction is involved here, although we know that that is the case. I really do not believe anyone who thinks about it would feel that we can allow the constitution in its present form to stand in the way of getting at this problem. I think the amendment of the constitution, in its totality, may remain a conversation piece for many years. I remember well the Rowell-Sirois commission back in the 1930's when the amendment of the constitution was considered of tremendous urgency. We are still working on it and it may be a long time before we have a completely new and rational constitution.

• (4:30 p.m.)

I have felt it to be true of other departments of government, and doubly true of the new department of environment, that the minister will have to initiate the over-all planning in these matters and then go to the provincial governments with propositions that can be discussed and amended, but which will result in action.

He knows very well that in our province, which he and I probably know better than any other province, the people are very anxious to see action in this regard. He also knows that in the province of British Columbia the people are very anxious to be allowed to help. This was very true all across Canada when the matter involved was the cutting down or the removal of phosphates in detergents. The Minister of Energy, Mines and Resources should be the first one to be thankful that there was such a flood of letters and protests from ordinary people across this country, because it made his job not only easier but perhaps possible within the time he had to accomplish it. The present minister who will handle problems in respect of environment would do well to realize this fact. If ever there was a sector or a field in which the public can help, it is this area of protection of our environment.

Even if we do get things set up, all the policing that can be done through government sources will not be enough. If the minister can arrange things to avail himself of the voluntary policing of the thousands of consumers across this country he will find his job much easier. And that policing will be provided free of charge. People are so concerned about saving our environment that they are willing to report infringements. They are anxious to bring as much pressure to bear as possible.

Ways and means will have to be found within the existing constitutional machinery to provide authority in respect of saving the environment even where there is divided jurisdiction, as is the case in respect of mining, forestry and other aspects of resource conservation. The hon. member for Kootenay West has at least twice made the point that the laws on the statute books are no better than the enforcement of such laws. In years past we have not been sufficiently vigilant and have not realized what is happening to our ecology.

We have now reached the point where we must find new and effective machinery. Instead of waiting until he has a completely new plan in respect of fish, wildlife and other things, the minister should build up the confidence of the public by proceeding on a pilot project. In this way he could win a victory for our environment. In this way he could gain the confidence of the public to a greater extent than through any amount of regulation, talk or negotiation in respect of the larger issues. He could obtain the support to do what he must do.

In British Columbia there is such a pilot project. I have reference to the saving of the Skagit Valley. This morning I was very pleased to find that the Toronto *Globe and Mail* recognized, in a fair sized editorial article, the value of saving the Skagit Valley in British Columbia. This is the first time I have seen anything of this kind on this scale outside British Columbia.

This editorial recognizes the fact that a valley such as the Skagit River Valley is a great asset, not only to British Columbia but to the whole of Canada. It recognizes that the salavation of this area should be consid-

ered not merely on the basis of its value to British Columbia, but on the basis of its value to Canada. The editorial suggests:

> This is too important a decision to be left to the local authorities of Victoria and Seattle. The Skagit Valley is an important wilderness and recreational area, but it is more important as a test of Canada's willingness to defend all such areas from the unjustified encroachment of indutsry.
>
> Ottawa should say no, and make Mr. Bennett return his $35,000.

Let me say that the last sentence is perhaps unnecessary. Premier Bennett has already indicated that if Ottawa can find a way out of this present impasse he will not stand in the way. It is for this and other reasons I feel this would be an ideal project for the minister to try out his new powers. I am sure the minister will not find any objection from the province of British Columbia. I am sure Mr. Bennett would be very glad to be helped out of this difficulty in which he now finds himself. The public is very much aroused about this situation.

This whole matter goes back a long way, in fact further than I want to take it at this time. Back in 1942 the city of Seattle, with the consent of the International Joint Commission, was allowed to flood part of the Skagit Valley behind a dam built within the United States. The city needed more power to support war industries. It also received under this agreement, with the consent of the International Joint Commission, the authority to raise this dam 125 feet higher when necessary, providing the consent of the government of British Columbia was forthcoming.

In 1967 Premier Bennett gave the city of Seattle a 99 year lease for $35,000 a year permitting the flooding of about ten acres of the Skagit River Valley. This is one of the most choice recreation sites anywhere near Vancouver and, indeed, is one of two remaining river valleys suitable for recreational purposes in British Columbia. On the basis of a 99 year lease at $35,000 per year, this works out to about $5.50 per acre.

When Premier Bennett leased this area to the city of Seattle he gave the city something else. He gave a three-year timber cutting permit in order that the Skagit River Valley could be prepared for flooding, a permit now withdrawn under public pressure.

Under the guidance of organizations such as SPEC, which is the equivalent of Pollution Probe in Ontario, the people of Vancouver have realized what is happening. They are beginning to realize that fish spawning grounds there are being destroyed. There will be ten miles of floodded area, but there will be a great deal of spawning area destroyed. They are beginning to realize that meadowlands on which between 400 and 500 deer are feeding will be destroyed. They realize that a number of species of wildlife will be destroyed because of the flooding of this area. They also realize the tremendous loss of a recreational area within 125 miles of Vancouver which will result fromthis flooding. The people are beginning to fight to save the Skagit River Valley, but they need the help of the minister.

• (4:40 p.m.)

Mr. Perrault: He is working on it.

Mrs. MacInnis: I know he is working on it, but I point out that there is a deadline involved. Time may run out. I believe the Minister of Energy, Mines and Resources has stipulated that one cannot raise a dam more than one-tenth of a foot on an international waterway without Ottawa's consent. I hope he has done that because it would be a roadblock to this project.

Further, the Federal Government has asked Seattle City Light to apply for a licence under the International River Improvements Act, but Seattle says it is going to stand by the 1942 International Joint Commission consent. Seattle has, therefore, gone ahead and asked the United States Federal Power Commission for permission to proceed with the dam. That is the position at which we are now. I hope the minister, cloaked in his new powers, will begin operations by going down there and arguing that this river valley should be saved for the people of British Columbia and of Canada. When I was recently in British Columbia, I heard that one of the most powerful conservation groups trying to save this valley is on the other side of the border. The Sierra Club on the other side of the border is just as concerned as we are, and probably more so, because they have seen so much destruction of recreation areas in the United States.

Whether we like it or not there is a great deal of traffic passing back and forth between our two countries, and recreation areas extend across our borders. I hope very much—

Mr. Deachman: May I ask the hon. lady a question? While she is giving a plug to the Sierra Club would she also give a plug for David Brousson, the Liberal member for North Vancouver-Capilano in the B.C. legislature, who has done more to save the Skagit Valley than anybody else?

Mrs. MacInnis: Yes, I certainly will put in a plug for David Brousson, and David Anderson, and Ron Harding and Mark Rose, because to me this is not a partisan issue. Some of us may become very partisan on issues where there are sharp differences of opinion, but there is no difference of opinion on this issue. I know everybody is anxious to save the Skagit River Valley. All I am urging is that the minister use his new powers without delay.

According to this Toronto editorial, the Federal Government is inclined to be timed about approaching the U.S. authorities because it is afraid they may say that if Canada does not allow the Skagit River Valley to be flooded then they will not help to clean up the Great Lakes. That is a wrong and unrealistic attitude. The U.S. authorities, and more particularly the American people, are becoming well aware of what would happen if pollution of the Great Lakes is allowed to continue. They know it will be a tremendously expensive matter to clean up the Great Lakes. Perhaps that would be the initial

reaction of the U.S. authorities, but it would be foolish, and I do not think they are quite that foolish. They have as big a stake as we have, if not bigger, in the Great Lakes.

I am well aware of the minister's attitude. We all appreciate what he has said. When he was out in Vancouver last October he referred to the flooding of the Skagit Valley, and said his attitude was that it must be stopped. I say that his attitude must be re-enforced with whatever weight the Canadian government can apply, and not only the weight of the Canadian government but of all of us in opposition as well as the weight of the provincial government, even though it will not admit that it would be willing to give it. I know that the provincial government is in a bind because the people of British Columbia are terribly concerned that these acres have been alienated for a song. The Premier of British Columbia is aware of that fact.

I would remind the minister to some remarks he made last October with respect to water resources. He outlined the rules as follows:

> Don't export water to the United States because it wil never be possible to cut off the flow.
>
> Don't direct whole rivers from one river basin to another.
>
> Don't regulate water flows in such a way as to jeopardize other resources in the area.

This fourth rule has particular relevance here.

> Don't sacrifice trees, fish, landlife and other living things for the production of power or protection of real estate unless absolutely necessary.

I do not think the minister believes it is absolutely necessary to sacrifice the Skagit River Valley. Armed with these new powers, I believe he now has the courage to go in and save the Skagit Valley. If he does so, he will have the confidence of the people of British Columbia when he goes on to battle for the other things that must be battled for in that province. He will have the power of the people with him if he opposes the standpat attitude of the provincial government. He will be able to go on to stop a lot of the other depredation of our parks and natural wildlife areas, depredation caused by mines and other private interests. This is the plea that I make to him.

I could talk about many other aspects of environmental control, but I end by saying that the people of British Columbia, and by extension people all across Canada because we have not got a fence running along the Rocky Mountains, would be everlasting grateful to the minister if he could save the Skagit River Valley for Canada.

Mr. Howe: Mr. Chairman, I spoke on a second reading of this bill and then mainly on that part of it which concerns environmental problems. This is the part we are discussing today, and the reason for my participation is that I feel that when we passed the Water Act of 1970, which repealed an earlier statute, it was not a good move. I refer to the repeal of the Water Conservation Assistance Act of 1951.

I do not know how many of the provinces took advantage of that act, but I do know that the province of Ontario did. I again cite the water authorities and the commissions that were built up on the Saugeen, the Maitland, the Don, the Humber, the Thames and the Grand. These river authorities did a tremendous job. They were assisted with their capital projects by the provisions of that act under a formula whereby the federal government paid 37½ per cent, the provincial government paid 37½ per cent, and the municipalities involved paid 25 per cent of the cost. These authorities did a tremendous job in building up parks and recreational areas, and I think they deserve a great deal of encouragement.

• (4:50 p.m.)

But when the Water Conservation Assistance Act was repealed, the Water Act was brought in which contained a provision to the effect that the federal government would agree to some kind of water management assistance program. However, there was no stipulation as to how much assistance would be given. Many of these authorities and commissions have worked very hard in their areas to try to improve the recreational facilities related to water. It is true the water conservation bill might have been introduced in the first place to look after flood control. Possibly that was its initial impetus because it protected some of the towns and rivers downstream that had been in trouble as a result of spring floods. But now, we find that during the summer period when the flow in the rivers drops, there is not enough water moving down those rivers and creeks to carry away the effluent from many of the sewage disposal plants or lagoons that have been set up in the towns and villages.

Many of these authorities have plans to build more dams to increase the flow of these rivers, but because the provincial government have to pay 75 per cent of the cost and the municipalities pay the 25 per cent many of these projects are being withheld. I had a private conversation with the minister the other day in connection with this matter. He said that perhaps the government might start a program of water management in these particular areas. This is all right, but the original planning must be done by the local authorities. If they do not have some idea from whence the assistance will come, whether it be from the federal or provincial governments, the projects may have to be withheld because the municipalities cannot undertake to cover the whole cost. The province is involved but sometimes it does not feel it wants to be responsible for a big share of the cost. So, I would like to urge the minister, when he considers water conservation, to suggest some formula whereby the cost of these projects might be shared equally by the provincial and federal governments, 37½ per cent each, and 25 per cent by the municipalities.

I sincerely hope he will suggest such a formula for the new water management programs, because I think it would be of tremendous assistance to these water authorities and commissions which have worked so hard to set up good programs and areas for recreation and camping. They should be encouraged in the conservation programs, and any federal assistance that can be given

will be appreciated, I am sure. When the minister is answering, perhaps he could give us some idea of just how much assistance the federal government could give under the new plan for water management now that the old conservation programs no longer exist. It would be of tremendous assistance to a great many people, not only in areas in southwestern Ontario but also in other provinces, who would be happy to set up a type of program similar to this one which has been so successful.

Mr. Mather: Mr. Chairman, is rising to take part in this discussion, particularly in relation to clause 3 which has to do with measures proposed to establish the new department, I would like to say that the Minister of Fisheries and Forestry, who comes from the same polluted province as I do, will be the new minister of environment in this country, as I understand it.

There are many forms of pollution and environmental impairment, as we all know, but at this time I want to devote the main part of what little I have to say to one aspect of pollution which is rather ignored or down played. I refer to sound pollution. I hope to bring attention to these particular aspects of environmental impairment which exist, particularly in British Columbia. At present we have a threat to our environment in B.C. by air and sea which is posed in the now approved underground nuclear test by the United States in the Aleutian Islands. It has been approved to the extent that money has actually been allocated for this explosion. We all recall what happened a year or two ago in a much smaller test. We can well understand that the public of B.C. will be much exercised at what is now threatened, because a new test in that area will be much larger than the one we have had and survived. It is not impossible that we will experience a tidal wave as a result of this intended blast in the Aleutians. It is taking place in an earthquake prone zone, as we know, and a few years ago when there was an earthquake, B.C. communities such as Port Alberni experienced very high waves and damage as a result.

I want to urge the minister to do whatever he can to get this government to ask the United States to delay or cancel this test until such time as negotiations going on between the United States and the Soviet Union hopefully reach a level of sanity which will end in an agreement to abandon this type of underground nuclear testing. That is one point in connection with the environmental problem facing British Columbians.

Second, I want to urge the minister to do whatever he can to get this government to avert the planned shipment, by U.S. private interests, down the B.C. coast of great quantities of oil from Alaska. These oil shipments are to be carried in tankers which are a threat, as we all know, through spillage of oil to some of the most beautiful areas in coastal Canada. I raised this matter the other day during the question period, and the minister told me that this was a matter which concerned the Secretary of State for External Affairs. Again, I take this opportunity to urge him to do what he can to get the Secretary of State for External Affairs to step up activities to avert this very threatening pollution problem.

Third, I want to allude briefly to a problem which affects a number of British Columbians. We have about two million people in B.C. over half of whom within a very few miles on half of one per cent of the land area. A good many of them live in and around my constituency. These people are faced with another threat of pollution in the form of coal cars, trains carrying coal coming up from the United States through the White Rock Crescent Beach and Ocean Park shipment points. These are among the best recreational and residential waterfront areas. I urge the minister, when established in his new post, to take whatever measures he can think of to alleviate the situation.

Having said that, I would like to speak now about a form of pollution about which I am particularly concerned. I have placed on the order paper a bill on the subject of noise or sound pollution. Before I do that, however, I wish the minister every good fortune in whatever endeavours he undertakes in his capacity as minister of environment. I know he means well in every case where he shows his intention, and he will certainly have the support not only of his party but of the people of British Columbia.

The fourth form of pollution beyond that of air, land and sea, is noise or sound pollution. In my view, this type of pollution should be under study by a standing committee of the House which concerns itself with all matters of pollution. The time is overdue when sound pollution should be recognized as a health danger to individuals and communities. In urging that this form of pollution be recognized as part of the environmental problem with which this legislation sets out to deal, I want to quote very briefly from a few articles which have been published on the subject. I will quote now from a report in the Ottawa *Citizen* of a Boston meeting which reads in part as follows:

> Slowly, in a sneaky sort of way, noise is ruining the health of hundreds of thousands of North Americans and bringing death years closer for thousands.
>
> That's the message which has been preached over and over again in the first few days of a session on noise pollution at the annual meeting of the American Association for the Advancement of Science here

• (5:00 p.m.)

> There's not much in the frightening medical evidence that is brand new, but it's the first time that it has ever been put together like this, in a discussion drawing scientists from Canada, Australia, Germany, Argentina and the U.S.S.R. . . .
>
> —noise isn't good for . . . just about every bodily function you can name and that doesn't count hearing because the scientists aren't even talking about that problem since it has been well publicized.
>
> Noise isn't good for you, . . . because it causes the small blood human body shows little inclination to adapt to repeated noises like the sound of horns blowing outside the window at night.
>
> Noise isn't good for you, . . .because it causes the small blood vessels in the body to contract and then expand involuntarily. This contraction happens even to people who are deaf and eventually the weakening of elasticity in the blood vessels because of it leads to circulatory problems and could be a contributing factor in strokes and heart attacks.

The article goes on to list the reports of other scientists concerning the seriousness of noise pollution.

May I quote from another editorial in the *Globe and Mail*. It reads

> A two day symposium on noise pollution conducted by the American Medical Association ... estimated that environmental din is doubling in intensity every decade. Even bigger jumps are in prospect with the mounting volume of air traffic—expected to triple by 1975—and the advent of supersonic transport planes with their sonicboom capacity to shatter eardrums as well as window panes.
>
> But planes are only a fraction of the cacophony. Heavy traffic clocks in at around 80 decibels or just about the tolerable level. A motorcycle can shoot that up to 110 decibels, a siren to 125 decibels (one doctor complained recently that ambulance sirens were killing more patients than they were saving) ...

There is a great deal of literature on this subject, which I hope the new minister of the environment will read. I hope, as a result, that the government will act.

Last March I was glad to receive assurances from three ministries that action to deal with the matter of sound pollution is to be taken. The Minister of Labour replied to a letter I had sent him and said that regulations pertaining to noise control and hearing conservation in industries subject to federal jurisdiction and in the Public Service of Canada are being developed pursuant to the Canada Labour (Safety) Code. Another reply from the Minister of National Health and Welfare said that the department intends to increase its activities in these areas. Finally, I received a letter from the President of the Treasury Board. It said that sound and man's sensitivity to it are being studied under ten general headings.

I received these assurances last March, almost one year ago. I hope that such action as was indicated in those replies has been taken by the departments concerned. In any event I intend to keep on making representations, either at the committee level or at any other level, for the minister to include sound pollution in the protection of the environment.

Mr. Skoberg: Mr. Chairman, may I direct a question to the minister? Are other departments of government to be concerned with enforcing pollution control regulations? I am referring to departments such as the Department of Transport, which may be concerned about supersonic jets and the like. Also, will certain people serving with present departments be transferred to the new department which is to be set up, the department of the environment?

Mr. Davis: The answer, Mr. Chairman, is yes. I mentioned that there were a number of other departments which are vitally concerned about the environment, departments such as the Department of National Health and Welfare. Clean air is essential to health and the Department of National Health and Welfare will continue to be concerned about the quality of the air around us. The environmental health unit of the Department of National Health and Welfare has been transferred already and will be part of the new department of the environment. Nevertheless, remaining within the department of health will be others who are concerned about the health of human beings in industry, the health of people as distinct from the general well-being of the environment. The new department of the environment will therefore be working closely with the Department of National Health and Welfare. The people who have been transferred from the occupational health unit to the department of the environment will, themselves, be working closely with the medical people of the department.

I might mention other departments. Clearly, the Department of Energy, Mines and Resources is concerned about fuels and the quality of fuels. Clearly, the sulphur content of a fuel has a great deal to do with the quality of the effluent being discharged. The Department of Energy, Mines and Resources will be concerned about such things as industries that use sulphur bearing coal and will be vitally interested, far into the future, in that aspect of the pollution problem. Clearly, the people in the department of the environment will be working closely with the people in the Department of Energy, Mines and Resources.

Reference has been made to transportation, and to aircraft. Aeronautics as well as shipping will be a matter for the Parliament of Canada. The Department of Transport focusses particularly on this kind of transportation. It can regulate the devices used by aircraft, the design of ships, and so on. Personnel in the Department of Transport will be working closely with the meteorological service, which is being transferred to the new department of the environment. The meteorological service looks at the weather side of things; weather forecasting is essential to transportation. So, there must be co-operation, again, between the "met" service, the new department of the environment and the Department of Transport. Among those three departments, transport, energy, mines and resources and national health and welfare, there will be close liaison in future with the department of the environment.

Mr. Skoberg: Mr. Chairman, may I ask a question to illustrate my point? Suppose an aircraft is flying over Canada and, before landing, dumps some fuel into one of our lakes thereby polluting that lake, as has happened in many cases. Whose responsibility will this be? I should like to know whether, in the department of the environment, a board will be set up which will co-ordinate the responsibilities of that department with those of other departments and exercise some supervision with regard to laws affecting other departments as well as the department of the environment. At the same time, I am thinking of what is happening in the United States. That country has not decided as yet whether to go ahead with the SST. There is a fear that the aircraft will contribute to atmospheric pollution. Will there be someone in the department of the environment whose responsibility it will be to co-ordinate in this area? I am also thinking of the millions of dollars being spent on anti-pollution devices for automobiles on highways. The Canadian Transport Commission does not seem to mind doing away with other forms of transportation that are less polluting than automobiles. I wonder whether there is to be a co-ordinating body, with special powers to work with the Canadian Transport Commission, which would take all these matters under consideration.

Mr. Davis: Mr. Chairman, again, the answer in a general way must be yes. The department of the environment will have that co-ordinating function. Several of the problems which the hon. member has mentioned relate to the air. We have already, under the meteorological service, air monitoring. We are soon to have a new clean air bill. I hope it will be passed during the present session. We are to obtain additional powers to expand our monitoring network across the country through which the air will be monitored. Under the bill, we shall set up national air quality objectives and standards, and we shall be in a position of knowing what the quality of our air is.

When it comes to a particular problem, such as detecting fuel that has been dumped by an aircraft in difficulties, and so on, we hope that the department of the environment people will detect this. Nevertheless, the Department of Transport, which has the direct authority over aircraft and the manner in which they are operated, will be involved. It will have to determine how widespread those practices are. This involves co-operation and close co-ordination between the departments.

The Chairman: Shall the clause carry?

Mr. Skoberg: Mr. Chairman, I wish to mention another point. I do not think we want to be put in a position where various departments of government will set their own standards of pollution control. The minister has suggested that since the matter of dumping of fuel will come under the jurisdiction of the Department of Transport, there will be national standards. Will a committee of the various departments of government responsible for pollution control be established under the supervision of the minister which will cover the entire field of pollution control? I gather from the minister's remarks that there will still be the same lack of co-operation between various departments as far as pollution standards are concerned.

• (5:10 p.m.)

Canadians are interested in a department of the environment. If we are really concerned about environmental pollution control, there must be cooperation and liaison. Will the minister state whether a committee will be established comprising members of all government departments responsible for pollution so that there can be national standards? Various water resource commissions throughout Canada realize there must be national standards. Without them, they realize they cannot continue for many more years. There must be national standards, supervised by the department of the environment, that have teeth in order to deal with the areas causing pollution. Will the minister elaborate on whether a committee comprising members of every department in this area will be established.

Mr. Davis: I think it goes without saying that there will probably be several committees. We now have a committee of the cabinet. There will be a committee of resource ministers who have federal and provincial responsibilities in this area. There will also be interdepartmental committees which will probably be at the deputy minister level. These interdepartmental committees will deal with specific aspects of pollution, such as the motor vehicle. The department of the environment must act as a coordinator with the Department of Transport which administers the Motor Safety Act. It must also be involved with the Department of National Health and Welfare and with the Department of Industry, Trade and Commerce because we are concerned about imported vehicles as well as those manufactured in Canada. The several departments which are concerned must be represented.

We will have a number of committees because there are several levels of government, a number of federal government departments and different kinds of pollution problems. The Council of Resource Ministers, which is already in existence, will assist in our liaison with provincial ministers. We already have a cabinet committee which deals with this subject.

Mr. Howe: Will the minister answer the question I asked him? Is the government considering any financial assistance or any formula which would assist the projects to which I referred? So that people will have some idea when formulating plans, will the minister state how much assistance might be forthcoming from the federal government to assist water management commissions in carrying out these projects?

Mr. Davis: I cannot answer the hon. member's question in precise numbers. He referred to the fact that an earlier piece of legislation was repealed when the Canada Water Act was introduced. Under the former legislation, the federal government, provincial governments and local municipalities or authorities carried out certain river development projects, usually on a modest scale. They varied in size from province to province. Under the original act, the federal government paid 37.5 per cent, the provincial government 37.5 per cent and the local body 25 per cent.

The Canada Water Act which superseded the previous legislation is much more comprehensive. It envisages many kinds of river development such as whole river basins or single tributaries. It covers any conceivable water development in which there is a need for several levels of government, including the federal government, to participate. The basic philosophy is that each level of government should make a contribution which reflects its constitutional responsibilities. If there is a major concern with navigation on a river or stream, there is a federal involvement. If there is a hydro requirement or capability there is probably just a provincial involvement. If fisheries are involved, particularly on the ocean coasts, there is a federal fisheries involvement. If there is a flood control aspect, more than likely there is a provincial involvement. If a development is entirely for hydro, it would be 100 per cent provincial. If a project involves hydro, navigation, flood control and fisheries, the contribution will vary depending on the benefits.

If the benefits of a project are mostly in the federal area, it will probably be largely financed as a federally supported development. If the benefits are largely provincial or local, the financing will fall that way. The expect-

ed benefits will be the determining factor of shares of cost rather than the precise formula laid down in the earlier legislation. Because there is not a precise formula, I do not want the hon. member to think that there is not a way of getting around this problem. The approach is more general, flexible and realistic because it will reflect the benefits to the federal, provincial or local area.

Mr. Howe: In other words, the federal government will give assistance in most of these programs as long as there is some federal interest involved.

Mr. Davis: The federal government must be concerned if there are navigational, fisheries or even flood control aspects. If it is a very small development within a province, the answer may be no. If the federal government is strapped for funds, the answer may be no. There must be a joint study to see where the benefits fall within the federal, provincial and local responsibilities. The costs will be apportioned in that fashion.

Mr. McCleave: The minister seems to be in a very obliging mood this afternoon. I never fault the minister in that regard. I wish to direct two questions to him. Last night I raised the matter of the swordfishery. These fishermen seemed to have been forced out of employment because of the high mercury content in swordfish. I do not have any quarrel with the retraining and unemployment insurance programs for fishermen. However, this seems to go a little further. These fishermen have large capital obligations. They have been forced out of their normal employment by reasons outside their control.

• (5:20 p.m.)

My question last night, which perhaps the President of the Treasury Board did not pass along, was not only whether the government was considering that particular matter, but whether the government had given any consideration to the plight of innocent people who are suddenly deprived of their livelihood because somebody has offended against anti-pollution laws.

The second question arises out of the wording of some of these clauses in which ministers are given the right to enter into agreements or to co-operate with provincial governments or agencies. I am sorry I used the word "agreements" because that is precisely the word I did not mean to use. The phrase is "to co-operate" rather than "to enter into agreements". Perhaps the minister could deal with that point, too.

Mr. Davis: The hon. member raises two questions. The first has to do with the compensation or interim income which should be paid to fishermen who, through no fault of their own, suddenly find their livelihood terminated. The other relates to the nature of our formal relationships with the provinces.

To answer the first question. As the hon. member knows, there have been a number of unfortunate experiences involving fishermen in various parts of Canada during the last 18 months—phosphorous first, and subsequently mercury. In all cases we have endeavoured to maintain the incomes of fishermen during the period in which they were being retrained for another occupation or during the time that another element of the fishery was being opened up to them, or until the fishery was restored.

In the case of swordfish, there may be a protracted period during which fishermen concerned are unable to to practice this long distance fishery. We are looking into a number of alternatives such as using the same vessels and the same crews to take groundfish with the aid of trawling and seining methods which have recently been developed. Meanwhile, the practice has been to make funds available to these people to assist them during the period when otherwise they would have no income from their normal form of employment. We would like to have, indeed, we must have, for the longer term, a program of what I might loosely term catch insurance. We must have something which would not only look after closures of this kind, closures of a particular fishery for months, or, maybe, years but also cases of unpredictable decline in income. We are examining a longer term program but meanwhile we are dealing with cases on a hand to mouth basis, as they arise, as expeditously as possible.

I turn, now, to the question the hon. member asked about the use of the word "agreements" instead of the word "co-operation".

Mr. McCleave: No. The other way around.

Mr. Davis: The use of the word "co-operation" rather than "agreements". When we come to clause 6, we shall focus on this point and by then I hope to have an adequate answer. As it is, I hope we shall reach agreements with the provinces and I hope we shall also co-operate with them on questions of this kind.

Mr. McCleave: That is fair enough. Perhaps it is a legal point and the minister can deal with it tomorrow. With reference to the answer he gave to my first question, is any continuing study being made to find out whether the standards imposed as to mercury content are justifiable? I am not asking that anybody should pollute their own souls by setting standards which are not right, but I understand that the mercury problem as far as swordfish are concerned has been with us for a long time. Is it that standards are, maybe, being set too high? I want this answer for general information; I simply do not know.

Mr. Davis: This is a very difficult question. I do not want to appear in anything I say to be questioning the present standard, because we are not considering an immediate change in the standard of one half part per million of mercury in fish. At the same time, the instruments which are being used to detect these very small amounts are still very new—the equipment has only been available for some 18 months—so we are learning a great deal about a condition which in some measure has always existed in nature. Though we do know there have sometimes been very much higher concentrations of mercury in fish caught near certain industries which use

mercury, we find mercury in very small amounts everywhere and it may well be that certain species of fish, especially the more carnivorous fish at the top end of the food chain, have always been high in mercury content compared with others. How high is dangerous to health is something which health officials in this administration, in the United States and elsewhere are very concerned about. I am sure that as they develop more knowledge on this subject they will be reassessing their views. I hear some of them say they might be lowering the standard. I would hope that they might be able to raise it.

I might perhaps refer to the standard Sweden has set. Sweden has set a standard of .2 parts per million ranging to one part per million and if any fish product is sold below .2 parts—remember, our standard is .5—they do not mark it. But anything between .2 and one part they mark it "only to be eaten once a week". I do not think we want to mark "only to be eaten once a week" on fish sold for consumption in Canada or for export. We have set our own standard. The United States has adopted it. It is now a North American standard of .5 parts. It can be argued that double this figure is reasonable, but Sweden has not taken this view. A conference is to be held in Ottawa in February to which experts are coming from all parts of the world. We are focussing on this problem and hopefully we shall be able to provide more information which will help us to set standards which are realistic in the light of that new information. However, as I say, I do not want to infer that we wish to change our standard of .5 parts per million.

Mr. MacLean: One brief question. I am not expecting a reply, now. Perhaps the minister could reply when we get to an appropriate clause, which would be clause 4 or 5.

It seems to me that in addition to the regular treaties which were formerly administered by the department of fisheries, and which will be administered by the new department, for example, the Migratory Birds Act, the whole concept of pollution control will involve international consideration in many areas. The pollution of swordfish by mercury is a case in point. I should like to hear some explanation of the role the department will play in these areas which are not specifically covered by legislation at the present time.

Will the new department be in direct contact with other govenments or will it act only in the role of adviser to the Department of External Affairs? What will be the division of responsibility and how is it anticipated the administration will be carried on? I have in mind effective pollution controls of an international type, as well as controlling pollution that kills birds or migratory fish that may become polluted in some other country's waters or on the high seas.

• (5:30 p.m.)

Mr. Davis: The hon. member was minister of fisheries for a number of years, and he knows there are direct contacts between a particular ministry in Canada and a ministry of another country. In the first instance, what usually happens is that these contacts are established through the Department of External Affairs and the foreign office of the other country. Once the contacts are made and the ministers and officials begin to talk more specifically about, for example, fish, external affairs officials and the foreign office people in that country may remain as observers or, perhaps, leave the room. So there are many opportunities for discussion in depth, the reaching of understandings on matters of that kind, and so on. These are matters limited to the department, however, and fisheries is an example.

I am sure this will happen in the case of pollution. Other countries are setting up departments of the environment, departments of pollution control, and so on. I am convinced that we will be able to develop standards that are not simply national in Canada but some of which are international, even global in scope. We have a Canadian as chairman of the United Nations agency dealing with the environment, Mr. Maurice Strong. We are going to have a conference in 1972 with other nations regarding the application of standards on a global basis pertaining, for example, to mercury pollution. I am sure there will be many meetings between officials of the environment department in Canada and their opposite numbers in other countries at such conferences, as well as bilaterally in direct negotiation with, say, the United States and countries overseas.

I think that through the Canada Water Act, a new clean air act, and so on, we will be able to set up study groups and task forces that will develop standards. I am thinking now of standards that we are developing in Canada for the pulp and paper industry with regard to the discharge of its effluent into water. A number of other countries are watching what we are doing. We have 170 mills and need to do something quickly about this problem. Our standards may well become the standards of the United States and of the Scandinavian countries of simply because we are focusing on this matter as our specialty or priority item. I am sure there will be a good deal of coming and going between departmental officials and technically qualified people competent in this area internationally as well as in Canada.

Mr. Harding: Mr. Chairman, I have one or two questions to put to the minister who will be in charge of this new department. The first has to do with national standards. I understand the minister is very interested in national standards, as I think are most hon. members. Will the minister definitely set up national standards under this new department? I am thinking in terms of pulp mills and so on. Has the minister run into any difficulty to date in dealing with provinces that might wish to have lower or different standards?

Mr. Gillespie: Mr. Chairman, on a point of order.

The Acting Chairman (Mr. Richard): Order. The hon. member for Etobicoke on a point of order.

Mr. Gillespie: The hon. member opposite is referring to standards. May I draw your attention to clause 6 of the bill, which would seem to me to be the appropriate clause to discuss this particular subject and to put such questions.

Mr. Harding: Mr. Chairman—

The Acting Chairman (Mr. Richard): Order, please. On the point of order, I think the hon. member will realize that the Chair has been very lenient so far. A great deal of latitude has been given on this clause to the discussion of matters that really belong within clause 6. Perhaps if the bill had been properly drawn, clauses 4 and 5 would have been subclauses of clause 3. Since this Chairman, at least, has taken this into account in his intelligent attitude toward the drafting of bills, and since other Chairmen who preceded me have allowed such discussion, I feel that now is not the time to limit the debate.

Mr. Harding: Thank you, Mr. Chairman. I can assure the Chair that any question I ask under this clause will not be repeated later on. My question to the minister was this. Is the minister going to have authority to set national standards? This is a very general question but an important one. How will these fit in with the enforcement of the Canada Water Act, where you have to deal with ten provinces on an individual basis? How can the minister arrive at an agreement on national standards with each of the ten provinces when under the Canada Water Act water quality management areas have to be negotiated with provinces that have differing standards? I should like the minister to clear up this point. I assure him that we will do everything we can to tighten up the bill, and we are all behind him if he is able to formulate national standards. We need and should have these national standards.

Mr. Davis: Mr. Chairman, my answer would be this: We can have national standards, we must have national standards and we will have national standards. The hon. member asks how. We can develop national standards—I am talking more in legal or constitutional terms here—for industries under federal jurisdiction, and some of these are very large. Any industry that has an impact upon our fisheries in so far as its water effluent is concerned can be required to meet the standards under the federal Fisheries Act, because these standards are national in scope and in impact.

There are other industries that come totally within provincial jurisdiction. In many water situations, to regulate properly a body of water you must regulate not just provincial development of water but federal development as well, and in such a case a joint body may be appropriate. If so, we could proceed, for example, under the Canada Water Act or under a similar provision for federal-provincial co-operation under the terms of a clean air act.

In all these instances we would insist that the national standard that we had developed would be the standard to be employed in the joint development in that particular area, so that through federal and provincial agreement it would be possible to bring about the enforcement of national standards. You do not do this through direct federal legislation without reference to the province concerned. In that case you would have to have an agreement with the province relative to the particular industry in that province.

There is a third way to bring about national standards, and this is what we are really doing at the moment with the pulp and paper industry. We are working closely with the provinces and the pulp and paper industry, along with experts from several other countries, in the development of standards that we believe the provincial pollution control boards will adopt as well as our own authorities. Through thorough discussion and sweet reason we believe we will arrive at standards which will in fact be national standards that are applied by the provinces because they believe in them, not because there is federal jurisdiction in every instance within the provinces. So through co-operation and certainly careful discussions we can set standards. The hon. member asks if there are difficulties. The biggest single difficulty is that relating to older plants. We can readily develop standards that apply to new plants by requiring that new plants henceforth must be designed to produce effluent of a quality stipulated in the regulations.

• (5:40 p.m.)

Those regulations and standards have to be the objectives toward which the old plants must progressively be upgraded. The unkown element in this is, how long will it take for the old plants to come up to that standard? In an industry that is totally within a province and totally within provincial jurisdiction, the matter must be left primarily with the province to negotiate with the firm in order to bring this about. There is just no way in which the federal law can reach directly into that situation or do anything about it.

Admittedly, if there is a fisheries aspect or a navigable waters aspect or a flood control aspect and so on, Ottawa can get into it. I am referring to situations where there are no federal aspects, legislation or federal laws that apply. These are the difficult areas.

Mr. Harding: Mr. Chairman, I very much appreciate the frank answer given by the minister. It is obvious we are not going to have national standards in Canada. We might be trying to get them, and without blaming any province, it is very conceivable that in the pulp and paper industry some company will tell a province that these standards are too high, and if a company says it will not establish a mill because of these standards, then perhaps there is a requirement for some adjustment. If there is to be any agreement at all, and there is some thought that the requirements are too high, you will get into trouble. In this way, pollution havens will be established.

This is one of the disasters of the Canada Water Act. It allows the Canada water management areas to set their own standards, although the federal government is involved. I hope the minister and his department will be firm when these water quality management areas are being set up and insist that the most modern technological machinery which can be devised is installed in any plant that may be built within a water quality management area, or outside of such an area.

I recall the debate we had on the Canada Water Act. The thinking at that time by the department in respect of

water resources was that if a pulp mill were built in northern Canada or some area where there was not a large population, it was not necessary to have such high standards. It was felt that if there were enough water flow to carry the effluent away, why should these mills be forced to put in this modern, technological equipment.

We should not fall into this trap. It should not matter where these industries establish, they should have to meet the standards. Whether a pulp mill exists in Newfoundland or the province of British Columbia, it should have to meet the same requirements. The regulations should not allow these companies to move from one province to another or from one area to another in order to avoid the capital expenditure of $1 million or $2 million in respect of modern pollution machinery.

It is for this reason I am apprehensive about the way we are doing this. We do not have this overriding authority, and I realize the constitutional difficulties. We are not getting a national standard as a result of this bill. I know the minister is very anxious to obtain this and will do everything he can to bring it about.

Mr. Davis: Mr. Chairman, I do not want the impression left that I can see loopholes as far as the federal government is concerned. There will be no pollution havens as far as our standards will apply. These standards will apply wherever the Canada Water Act is enforced because that Act will not be enforced without federal participation. Any standard which is developed in an area under the Canada Water Act is a standard which is referred back to the minister of environment. If it does not conform with our national standards it will be out. The standard can be higher but it certainly cannot be lower than the standards we set for that industry. Wherever we invest federal money, wherever we have federal power and wherever we have agreement with a province for joint management agencies, the federal standards will obtain. In this regard, we will have national standards.

However, we do have two levels of government in this country and sometimes there may be little pockets where there is no federal jurisdiction or avenue for federal participation. It is conceivable there would be different standards under those circumstances, although I do not expect to see much of that. There will be none of it in so far as my department is concerned. We will have national standards and we will try to keep them everywhere through participation if we do not have direct power.

Mr. Harding: I have another question to clear up this point. Would the minister indicate whether he feels the water quality management areas would be an aspect to which federal jurisdiction will apply?

Mr. Davis: Let me answer that question very simply, Mr. Chairman. The water quality management areas are areas which come under the Canada Water Act, where there is some federal input or federal participation. Where federal authority is involved, we can influence the standards and this is where the standards will be national. Wherever the federal government is in the act it will influence national standards, do not worry about that. The Canada Water Act is a vehicle by which the federal government can influence local situations. It is not the reverse of that situation. This is not a device for permitting pollution havens.

Mr. Skoberg: Mr. Chairman, I was pleased to hear the minister refer to those areas under federal jurisdiction. I should like to ask him about the situation at the Moose Jaw armed forces base in my area. I take no exception to the base being there. These people are good citizens. A great deal has been spent on the existing sewage disposal plant at this base, but there is still some discharge of effluent into the Moose Jaw River. This is a river which has a very light flow at the best of times. The sewage is highly treated and it becomes damaging when it breaks down after entering the river. This same thing applies in respect of various areas in Canada where sewage disposal plants have been constructed through CMHC investment. These areas are under federal jurisdiction.

The minister suggested he would use all the persuasion he possibly could. Will there be national standards enforced in respect of the treatment of sewage and disposal by plants such as the one I referred to at the Moose Jaw armed forces base? This is a situation which could be rectified by diverting the sewage into the city system. How is the minister going to bring about national standards when he does not have control of that particular aspect of national defence operations?

Mr. Davis: The hon. member is really saying to the federal government, put your own house in order first. Clearly there is an area where there must be national enforcement even though we have not had standards in the past. We must develop standards where we do not have them, and we must enforce those standards. We must first enforce them through our own departments and crown agencies. I hope this situation will be tidied up quickly.

• (5:50 p.m.)

Mr. Skoberg: Are we going to be able to put some money where our mouth is in order to put our house in order, or will this be a lot of window dressing? Will money be put into the budgets of the various departments in order to bring about real, meaningful pollution control measures?

Mr. Davis: We are now drawing up the lists of federal establishments which, in one degree or another, offend the standards that we are developing. We will present these lits to the relevant departments. If they cannot find the funds within their present budgets, we will have to take this up as a special matter with cabinet, and have it dealt with as a matter of priority to get additional funds.

Mr. McCutcheon: Mr. Chairman, I was very pleased to hear the minister state unequivocally that we are going to have national standards all across Canada. But what about an international standard? What is the situation in

this regard? I am thinking particularly of the area where I live, surrounded by the Great Lakes.

If I may refer ahead to Clause 5 dealing with the enforcement of any rules or regulations made by the International Joint Commission, I would like the minister to reconcile that with the national standards to which he made reference. What good are all the national standards that this country can establish if we do not have a standard that applies to all the Great Lakes? How are we going to arrive at a situation where this mess is going to be cleaned up?

Mr. Davis: Mr. Chairman, I think we are faced with some of the same problems that we might be faced with if we had different standards from province to province. If we have different standards from nation to nation, we will have difficulties, particularly trans-border difficulties. However, with respect to pollutants that are moving around the earth and are universal in their effect, I think we will quickly see international agreements as to standards. There will be many standards that will be worldwide in their effect. There will be considerable pressures develop, especially from nations which are cleaning up, on nations which are not cleaning up as rapidly as they are doing.

I was recently at a conference in Washington. The concern expressed there was that the nations that were cleaning up rapidly might set up barriers of one kind or another against nations that were not cleaning up their industry. In other words—don't buy dirty products. Already, a tendency is developing for standards to be applied internationally, as well as inter-provincially, or nationally within Canada.

There is some value in being first. There is some value in cleaning up first. In British Columbia, where a lot of pulp mills are new, those on freshwater salmon rivers have been cleaning up. In fact they were forced to clean up, but the clean up technology had more or less to be developed from scratch. Engineering consultant services in this field came into being, and several of these firm are being retained by Sweden and Russia to show them how to clean up their industries. By being first we can get our toe in the door with new technology, which can provide new opportunities for trade as well.

But Finland does not want to clean up its pulp mills unless its competitors do the same. However, with Canada cleaning up its mills, and Sweden doing likewise Finland will be forced to take similar steps. There is a movement in this direction, and there is a great deal of public opinion behind it, not only in Canada but worldwide. So, I think we will see standards develop internationally as well as in Canada. There will be a tendency toward uniformity of standards and to the avoidance of pollution havens.

Mr. Barnett: Would the minister take a minute or two to relate some of his remarks to the whole question of the discharge of effluent from mining operations? I noticed a press release issued by his department today. Unfortunately, I have not been able to do anything more than read the headline on it, and it had some reference to mining operations in New Brunswick.

I am sure the minister is quite aware of the fact that the discharge of mining tailings, particularly from the newer, large open pit type of mines, which are going to be mining low-grade ores in huge tonnages, is a matter of growing concern. He has talked a great deal about standards with regard to effluent from the pulp and paper industry, which certainly I would agree are necessary, but he has not given any indication of where we stand with respect to the development of standards governing mining effluent. How will the department of the environment tie into the activities and decisions of pollution control boards as, for example, the recent decision of the Pollution Control Board of British Columbia with respect to the proposed Utah Construction and Mining operation on northern Vancouver Island?

Mr. Davis: Mr. Chairman, the mining industry is not as tidy in many ways as are some other industries. The kraft paper making process is a single process. When the answer is found to the cleaning up of its effluents it is an answer—and this includes standards—which can be applied across the country to all new kraft mills, and progressively to older ones as time and money opportunities present themselves to make the changes.

But mines not only produce a variety of different metals, they also produce them in a variety of different combinations and circumstances. As the hon. member knows, we have used the federal Fisheries Act not only to monitor but to suggest clean up processes, and to enforce cleaning up in a number of mining operations that are close to important fisheries. We will have to use a similar approach in respect of many other mining operations across the country. But there is no single set of regulations that will apply to all mines because the metals and the variety of circumstances differ from place to place.

In other words these are particular situations rather than a single industry to which a single cleaning up procedure would readily apply. We intend to tackle the job, but it is a bigger and much more complicated one than the pulp and paper industry.

Mr. Barnett: Since the minister has referred to the Fisheries Act, can he say whether the sections of that act which require the advance submission of plans and proposals with regard to the processing of ore are in operation? In other words, is the situation now that any mining operation which involves fisheries waters has to get the approval of the minister of a company's proposal in advance before a new mine can go into operation. Where do we stand with regard to having existing operations submit plans of their operating procedures, so as to determine whether or not any modification of their tailings disposal programs are required?

Mr. Davis: Mr. Chairman, we are taking advantage of this new provision in the Fisheries Act. However, the onus is on the department, on its officials, to support the development in the first instance, to ask for information and plans, and so on, to vet them, and if they are found unsatisfactory then of course we can stop construction in the last analysis. If, however, we do not find circum-

stances where fish are likely to be killed in any numbers, then we stand back.

In effect, we provide any information that the provincial departments require. But if we do not have evidence of likely damage we do not intervene. We do not give a permit. If evidence of damage does come to our attention, later we will move in but we never give approval. We will watch with interest, and we are prepared to move in at any time.

• (6:00 p.m.)

The Acting Chairman (Mr. Richard): It being six o'clock, shall I rise and report progress?

Some hon. Members: Agreed.

Progress reported.

BUSINESS OF THE HOUSE

Mr. MacLean: Before the House adjourns, may I ask the Minister of Fisheries and Forestry (Mr. Davis) if he would confirm that this bill will be the first order of business tomorrow.

Mr. Davis: Bill C-207 will be the first order of business tomorrow.

The Acting Speaker (Mr. Richard): It being six o'clock, the House stands adjourned until two o'clock tomorrow afternoon.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, February 4, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

TRADE

CO-OPERATION IN INDUSTRIAL APPLICATION OF SCIENCE AND TECHNOLOGY—TABLING OF AGREEMENT WITH RUSSIA AND PROTOCOL AND PRESS RELEASE

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, pursuant to Standing Order 41 (2) and with the agreement of the House, I should like to table, in the two official languages, copies of the agreement between the governments of Canada and the U.S.S.R. on co-operation in the industrial application of science and technology, the protocol of the first meeting of the Canadian-Soviet Mixed Commission, as well as the communique issued at the end of those talks.

Mr. Speaker, I had the honour of leading the Canadian delegation composed of civil servants and businessmen. The purpose of this visit was to sign the agreement referred to, and to hold the first meeting of the Canadian-Soviet Mixed Commission set up under the agreement.

We were greeted warmly, our discussions were constructive, and everything seems to indicate that they will lead to mutual benefits.

The agreement aims at encouraging co-operation between the two countries in the field of industrial science and technology. That co-operation could take the form of exchanges of information, and visits of businessmen and experts. It could also lead to licensing agreements in specific areas of technology.

[*English*]

It might lead to all kinds of "joint ventures". I suggest it will also lead to increases in two-way trade between the two countries.

Numerous meetings were held in Moscow between members of the Canadian delegation and their opposite numbers in various industrial and research sectors of the Soviet administration. These discussions identified a considerable range of subjects of mutual interest to the two countries. As a result, six working groups have been established in order to further identify prospects for mutually beneficial exchanges. The groups are as follows: architecture, construction and building materials; forest-based industry; non-ferrous metals industry; electric power industry; oil industry, and gas industry. Formation of an additional group to consider airport design, facilities and servicing is under consideration.

• (2:10 p.m.)

Certain features which emerged from the discussion are worthy of special mention.

1. Problems arising from severe climatic and permafrost conditions are of considerable interest to both countries and have been identified for study by the working groups in construction, electric power, the oil industry and the gas industry.

2. The naming of the six working groups I have mentioned does not, of course, exhaust the area of possible co-operation in the industrial application of science and technology. In addition to working groups, other contacts will continue, and further working groups may be established by agreement.

I was impressed by the speed with which our Canadian businessmen and experts were able to get down to specifics with their Soviet counterparts.

The next session of the mixed commission will be held in Ottawa early in 1972.

While I was in Moscow I met separately with Mr. Patolichev, the Soviet Minister of Foreign Trade. We engaged in a useful review of trade developments and of prospects for the further expansion of trade. I was invited also to call on Mr. Polyansky, Deputy Premier of the Soviet Union. Our discussions covered the broad range of relationships between Canada and the Soviet Union. Mr. Polyansky particularly asked me to convey to the Governor General of Canada and to the Prime Minister the greetings of Mr. Podgorny, President of the Soviet Union, Premier Kosygin and First Secretary Brezhnev. He also asked me to tell the Canadian Prime Minister—and I do so now—how much the Soviet government is looking forward to welcoming him to the Soviet Union later this year.

Mr. H. W. Danforth (Kent-Essex): I certainly appreciate the minister's courtesy in making a report to the House on his recent visit to Russia and on the series of meetings which were held during that visit. I think what was done will serve a very useful purpose.

The basic concept behind the whole mission is an arrangement whereby two states which have so much in common in terms of climatic condition and industrial development will be able to exchange ideas and information not only at the governmental level but at the industrial level. We note the minister's observation that the effectiveness of these meetings will be reviewed on an annual basis and that provision has been made for the setting up of further working committees if necessary. As

is so often the case, their success will depend to a great extent on the initiative shown by the Canadian business community and Canadian industry, encouraged, of course, by government action.

There is no doubt in our minds that the Russians will take full advantage of this agreement by sending over their experts and students to assimilate, as far as possible, any advantageous information which may have accrued from our development here in Canada. The onus is upon us to see that this interest is reciprocated and that we in turn take full advantage of the opportunities which are granted to us by the Russian government.

The minister told us of the meeting between himself and his Russian counterpart in the field of trade. I am sorry he was not able to go into more detail, because the Soviet Union is and can be an important buyer of Canadian grain, pulp and paper, and other exports; anything which can be done to encourage a still greater readiness on the part of the Soviet Union to purchase the commodities we have to offer will work to the great advantage of this country.

We welcome the minister's statement and the tabling of this agreement. We shall await with a great deal of interest the development of this new arrangement between the two countries.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to commend the Minister of Industry, Trade and Commerce (Mr. Pepin) for having worked out these mechanisms for closer integration with the Soviet Union in respect of the exchange of information, technical know-how and trade. It is undoubtedly true that as nations learn to trade with each other there is a tendency for some of the tensions that can lead to conflict to be reduced. I think the minister has taken a very excellent first step in this direction.

When Your Honour's predecessor took a delegation of parliamentarians to the Soviet Union in 1965 we found that the Soviet Union was interested in a great many commodities which Canada produces. One of the main obstacles to trade was that they in turn wanted to sell in Canada so that they could pay for their purchases. I think that the machinery the minister has set up should make it possible for the Russians to find markets in Canada for goods that are competitive and this should enable them to purchase more Canadian products. I think the minister has taken an excellent first step and we hope that success will attend his efforts.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my colleagues and myself are most happy that the hon. Minister of Industry, Trade and Commerce (Mr. Pepin) tabled copies of the agreement between the Canadian government and the government of the USSR on co-operation in the industrial application of science and technology, as well as copies of the protocol of the first meeting of the Canadian-Soviet Mixed Commission and the press release.

As the leader of the New Democratic Party just mentioned, during the visit of a Canadian delegation to Russia in 1965 there were definite talks about establishing more cordial relations between the two countries with the specific objective of co-operating in the industrial application of science and technology.

I believe this is another step towards fostering better understanding between both countries in order to achieve more significant trade relations.

* * *

[*English*]

GRAIN

TABLING OF PRESS RELEASES ON FINAL PAYMENT FOR BARLEY AND OATS AND SALE OF FLOUR TO RUSSIA

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, pursuant to Standing Order 41(2) I wish to table copies in both official languages of a press release on the final payment for barley and oats for the 1969-70 crop year, and also a press release on a flour sale to the U.S.S.R.

* * *

TRANSPORT

RAILWAY FREIGHT RATE INCREASES IN ATLANTIC REGION—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Charles H. Thomas (Moncton): Mr. Speaker, pursuant to Standing Order 43 I ask the unanimous consent of the House to present a motion concerning a matter of urgent and pressing necessity. I refer to the complete disregard of the public interest in the Atlantic region which the railways have shown by taking advantage of the government's failure to work out its promised special transportation policy for the Atlantic region in the past two years, which has meant that in less than a year and a half freight rate increases have averaged 25 to 35 per cent and those on lumber as much as 40 per cent. I therefore move, seconded by the hon. member for Saint John-Lancaster (Mr. Bell):

That this House believes that the railway freight rate increases in the Atlantic region since September, 1969, have prejudicially affected the public interest in the Atlantic region and orders the Minister of Transport to appeal these increases, for and upon behalf of the public, under section 16 of the National Transportation Act.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Moncton which requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

• (2:20 p.m.)

INDUSTRY

SHELVING OF WABUSH MINES EXPANSION PROGRAM—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I also rise to ask leave of the House to make a motion under Standing Order 43. I hope I have more success. I refer to the announcement today by the Wabush Mines consortium that their proposed $100 million expansion program at Wabush, Newfoundland, is to be shelved because of economic factors, including the general level of taxation in the country.

My motion, seconded by the hon. member for Gander-Twillingate (Mr. Lundrigan) is:

That the Standing Committee on Finance immediately invite representatives of Wabush Mines to appear before them to elaborate on the factors which forced them to make this decision and thus enable the committee to recommend measures which would create an economic climate in which this company and others may expand and develop.

Mr. Speaker: Hon. members have heard the motion proposed for the consideration of the House. Under the terms of Standing Order 43 the motion, to be put, requires unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and therefore the motion cannot be put.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—ABILITY OF OTHER CANADIAN COMPANIES TO COMPETE IN BIDDING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister. I am sure the matter is of such concern to him that it will be within his knowledge. Has the government now indicated that it is no longer opposed to the acquisition of the control of Home Oil Company by Ashland Oil Company, Limited, or is it still trying to interest some Canadian company in making a more acceptable proposition?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the situation as far as I know is still the same as that revealed in the House by the Minister of Energy, Mines and Resources.

Mr. Stanfield: Mr. Speaker, assuming that the government of Canada is interested in putting Canadian companies in a position of equity in bidding for control of other Canadian companies, does the government propose to take any measures to put Canadian companies in such a position of equity? For example, I have in mind the privilege United States companies now have in borrowing money to buy shares in Canadian companies and charging the interest on those loans against net income for income tax purposes, whereas this right is not available to Canadian companies. Will the Prime Minister or the Minister of Finance tell the House whether the government proposes to take any measures immediately to put Canadian companies in a position in which they can hope to negotiate on a competitive basis with United States companies?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, my hon. friend is asking a very complicated question. I am sure he has read the proposals in the white paper which do—

An hon. Member: The white paper; that makes it worse.

Mr. Benson: —alleviate the situation to some degree.

Mr. Bell: The white paper is the cause of the whole trouble.

Mr. Benson: Obviously my friend has not read the white paper. I am also sure, Mr. Speaker, that the Leader of the Opposition is familiar with the submissions which were made to the Commons and Senate committees in respect of this problem and which are contained in their reports.

Mr. Stanfield: Mr. Speaker, I judge from what the Minister of Finance says that the government does not propose to take any such action. I have another question for the Minister of Finance. Again with a view to putting Canadian companies in a position where they will be competitive in bidding for control of Canadian companies, does the minister propose to take any action with reference to the inability of Canadian oil companies to charge against income their losses from drilling abroad, as in Alaska, whereas United States companies buying control of such Canadian companies can transfer that operation and get back through tax deductions much of the money expended in acquiring control of the Canadian company? Does the minister propose any action to put Canadian companies in a competitive position in that regard?

Mr. Benson: My hon. friend is getting into some very interesting areas where I would maintain that it is sometimes possible for Canadian companies, through the use of offshore subsidiaries, for example, to take advantage of offshore depletion. This is really what my friend is talking about.

Mr. Stanfield: I know what I am talking about.

Mr. Benson: It also was a question which was contained in the submissions of the oil companies to the

parliamentary committees, which I am sure my hon. friend has read and which we are presently considering.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I direct a supplementary question to the right hon. Prime Minister. In view of the reports that a solution is being worked out between Home Oil Company and Ashland Oil Incorporated of Kentucky so that there will be Canadian ownership of a new company but effective control by Ashland Oil Incorporated, thereby divesting Canada of the control and transferring it to the United States, would the Prime Minister undertake to see that such a deal is not completed at least until the Minister of Energy, Mines and Resources has made his promised report to parliament and we have had an opportunity to discuss this matter?

Mr. Trudeau: I did not understand what report the hon. member alleges that the minister said he would make.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Last Tuesday I asked the minister if he would report back to the House before this deal was completed and the minister undertook to keep parliament informed. The main point of the question I am asking the Prime Minister is whether, in view of the seriousness of having the last remaining, large, independent oil producer taken over and effective control placed in the hands of a United States company, the Prime Minister will undertake to assure the House that such a deal will not be completed until parliament has had an opportunity to look further into this question?

Mr. Trudeau: I can only repeat the commitment of the minister, who is following this question very closely and who undertook, as the hon. member just said in his second intervention, to keep the House informed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since the indications are that this deal is likely to be completed this week and, unless the minister makes a statement tomorrow, it may be too late, I want to ask the Prime Minister this question. Having regard to the fact that Home Oil owns about 10 per cent of the shares of Trans-Canada Pipe Lines, would the government undertake to ensure that steps will be taken to see that an increasing number of shares of Trans-Canada Pipe Lines are not divorced from Canadian ownership?

Mr. Eldon M. Woolliams (Calgary North): I should like to ask the Minister of Finance a question along the lines of that asked by the Leader of the Opposition in reference to the white paper. Since the United States and, indeed, Great Britain and other countries have a set capital gains tax and ours, as set out in the white paper which the minister talks about reading, will be applied on a progressive rate and could reach as high as 50 per cent, has there been any clarification so as to encourage Canadian capital and Canadian companies to buy Canadian corporations in this field in particular?

[Mr. Benson.]

Mr. Benson: I am sure again that my hon. friend has read the recommendations in the House of Commons and Senate committee reports. With reference to the question raised by the Leader of the Opposition earlier, there is a basic question involved with regard to offshore depletion: should the taxpayers of Canada generally be giving up money to oil companies in order to encourage them to drill for oil in Alaska, Malaysia or somewhere else rather than in Canada?

Mr. Stanfield: May I ask the Minister of Finance whether he thinks it an appropriate policy for the government of Canada to follow which actually and effectively gives United States corporations a very substantial advantage in buying Canadian corporations?

Mr. Benson: Mr. Speaker, that is not Canadian policy; it is American policy. In the United States there is a shortage of oil and they are willing to encourage their companies to go into other countries and drill for oil. The question is—

Mr. Speaker: Order, please.

Mr. Stanfield: As a supplementary question—

Mr. Speaker: Order, please. It seems to me that we are getting rather deeply involved in a debate on this very interesting subject, and perhaps we should try to limit ourselves to seeking information and, on the part of the government, giving information. The Leader of the Opposition has a supplementary question.

Mr. Stanfield: Is it the policy of the Canadian government to leave Canadian companies at a disadvantage, admittedly created by United States law, which has the effect of making it easy for United States corporations to acquire control of Canadian corporations as opposed to other Canadian corporations acquiring control of them?

Mr. Benson: Mr. Speaker, I think the hon. member is talking more broadly than the specific question he raised earlier with respect to oil companies. As I indicated, if he would read the submissions to the House of Commons committee and the Senate committee and the recommendations those committees made, he would know what has been said in this regard. The government's policy with respect to the future will be indicated when the legislation—

Mr. Speaker: Order, please. As I suggested, perhaps we have embarked on a debate. Do I understand the hon. member for Calgary North has a supplementary question?

Mr. Woolliams: Thank you, Mr. Speaker, for recognizing me. Mine is not a supplementary question. The Minister of Finance thought about an answer to give the Leader of the Opposition and forgot about the question I put to him. I know he did not do this deliberately, and I know he is anxious to answer it because of discrimina-

tion in the recommendations in the white paper with regard to a capital gains tax.

Mr. Benson: Mr. Speaker, if the hon. member read the House of Commons committee report he would have seen that the result would be a lower rate of tax in Canada on capital gains than in the United States, but I cannot say at this point whether we are willing to accept the recommendations in that report until we introduce the legislation.

Mr. Stanfield: Of course not.

Mr. Benson: Now, if the Leader of the Opposition wants to say something—

Mr. Speaker: Order, please.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to direct a supplementary question either to the Minister of Finance or to the right hon. Prime Minister. Since Home Oil Company of Calgary last year purchased some $52 million worth of equity stock in Richfield Oil in order to get into development in the far north, and the sale of Home Oil will now mean that $52 million of Canadian investment will fall under the control of an American company, does the government intend to do anything to prevent this steady erosion of Canadian savings into the control of foreign companies?

Mr. Benson: Mr. Speaker, just speaking off the top of my head, I think the investment in Richfield was for exploration in Alaska and not in northern Canada.

Mr. Bell: As a supplementary—

Mr. Speaker: Order, please. I see hon. members wish to ask supplementaries but I think we should go on to another subject and in a short while return to hon. members who have supplementaries. I notice in particular the hon. member for Saint John-Lancaster and I will return to him in a moment.

[*Later:*]

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance, and I do not care whether the answer if is off the top of his head. Will he explain how he expects Canadian companies, Home Oil or any others, to do business in view of all the indefiniteness that has been created by recent government actions on this matter, including the white paper itself?

Mr. Speaker: Order, please. I feel that the supplementary asked by the hon. member for Saint John-Lancaster is an indication that we have embarked on a debate. Perhaps there will be another opportunity to pursue the matter further.

Inquiries of the Ministry

[*Translation*]

UNEMPLOYMENT INSURANCE

CONVERSION OF PLAN INTO SOCIAL SECURITY MEASURE

Mr. Henry Latulippe (Compton): Mr. Speaker, I wish to direct a question to the hon. Minister of Labour.

Would he tell the House whether he intends to revise the unemployment insurance policy in order to convert this plan into a social security measure financed by the federal treasury?

[*English*]

Hon. Bryce Mackasey (Minister of Labour): No, Mr. Speaker.

* * *

[*Translation*]

FEDERAL-PROVINCIAL CONFERENCE

PROPOSALS RESPECTING AMENDMENT AND REPATRIATION OF CONSTITUTION

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a question for the Minister of Justice.

In view of the important statement the minister made yesterday concerning revision of the Constitution on the occasion of the coming federal-provincial conference, may I ask him whether the government intends to put before the provinces amendments other than those included in the federal government publication on the Canadian Constitution?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, all matters being the object of preliminary discussions with the provincial premiers have already been announced by the federal government.

Mr. Asselin: Mr. Speaker, I have a supplementary question for the minister.

Can he tell us if the federal government will put forward a new formula for the repatriation of the Canadian Constitution or if it will propose other amendments?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, both subjects are among those that will be discussed.

* * *

[*English*]

POLLUTION

MONTREAL AIR—ASSISTANCE TO MUNICIPAL AUTHORITIES —EXTENSION OF MASS TRANSIT SERVICES

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. It concerns the very serious problem of air pollution in the city of Montreal, which has gone well past the danger level of .1 up to .6 on the pollution index. Can the minister indicate whether any special plans for

assistance are being formulated by his department, or whether in fact he has received any request for assistance from the municipal authorities in Montreal?

Hon. John C. Munro (Minister of National Health and Welfare): To answer the latter part of the question, no. However, I think this particular area of air pollution in terms of the environment is more appropriately the responsibility of my colleague the Minister of Fisheries and Forestry, and I will refer that question to him and have him answer it in the House.

Mr. MacDonald (Egmont): Mr. Speaker, in view of the urgency of the problem and the well known difficulties that the government encounters with the constitution, can the Prime Minister indicate whether any plans or efforts will be put forward with respect to special services by Canadian National Railways, thus alleviating one of the major sources of pollution in Montreal, automobiles, because I understand that Decarie Boulevard is almost completely invisible because of air pollution? Does he know of any immediate assistance on a mass transit basis?

Right Hon. P. E. Trudeau (Prime Minister): I do not, Mr. Speaker, but I imagine if there is any such plan it would come to the attention of the Minister of Transport rather than myself.

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EXTERNAL AFFAIRS

RUMOURED INVASION OF LAOS BY SOUTH VIETNAMESE TROOPS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. Yesterday in answer to a question he said that he suffered from the general blackout in regard to the alleged invasion of Laos. Is he now out of that blackout, and can he say whether that invasion has taken place?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker. Our officers have been in touch with the United States government and no information has been given to us.

Mr. W. B. Nesbitt (Oxford): Has the minister been able to obtain any information in this regard from our new mission in Peking?

Mr. Sharp: No, Mr. Speaker. They seem to have kept the Chinese in doubt too.

Some hon. Members: Oh, oh!

* * *

FINANCE

REQUEST FOR IMMEDIATE INTRODUCTION OF TAX REFORM LEGISLATION IN VIEW OF SUSPENSION OF EXPANSION PROGRAM BY WABUSH MINES

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I wish to direct a question to the Minister of Finance. In view of the announcement today that Wabush Mines is suspending plans for a proposed $100 million expansion of iron ore operations in Wabush, Newfoundland, and also in the province of Quebec because of economic factors, including the level of taxation, would the minister introduce his tax reform legislation immediately, instead of in April, to remove the uncertainties in the economy that cause industry to postpone such vital developments?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, in this regard and without accepting the premise that tax was the basis for this action which I do not think was the case, I would be pleased to move forward the tax reform legislation. The opposition has indicated from the beginning that there should be widespread discussion of these proposals in Canada, and I would hope that when we can introduce the legislation the opposition will help us to move forward with it very quickly.

Mr. Peddle: Is the government currently holding any negotiations with the owners of Wabush Mines with a view to a possible reversal of this serious decision?

Mr. Benson: No, Mr. Speaker, not at this point.

Mr. John Lundrigan (Gander-Twillingate): May I ask the Minister of Finance whether he has had any discussions with or representations from the company, the consortium referred to by the hon. member for Grand Falls-White Bay-Labrador, since the fall of 1970, and has he been able to offer any encouragement which would facilitate the beginning of this project?

Mr. Benson: Mr. Speaker, I do not think I have had any direct representations from this particular company. That was not the case with respect to Quebec Cartier Mines and the Iron Ore Company of Canada, representatives of which came to see me about tax problems. After an announcement as to some changes we were thinking of with respect to taxation, they are going forward with expenditures of more than half a billion dollars on their particular projects.

Mr. Lundrigan: Mr. Speaker, may I ask the minister whether he is prepared to make recommendations or to meet or negotiate with the companies in question in order to try to offer them some certainty with respect to their taxation position, as referred to by my colleague, and also the general economic climate, and perhaps give some indication to the companies of the legislative proposals to be brought forward so that they can move ahead in 1971 with this $100 million project?

Mr. Benson: Mr. Speaker, I would be more than pleased to meet with representatives of the company at any time they want to see me, in the same way as I have indicated my willingness to meet with other Canadians and discuss changes in taxation in Canada. I would be pleased to see them at any time. But I could not indicate to them what the ultimate tax reform legislation might be without, of course, indicating it to the House of Commons first.

INDUSTRY

RENFREW AIRCRAFT AND ENGINEERING LIMITED—INCENTIVES TO ASSIST COMPANY AND AVOID LAY-OFFS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a related question to the Minister of Regional Economic Expansion. Has he been able to be of assistance in offering incentives to Renfrew Aircraft and Engineering Limited in view of the lay-offs and the very serious unemployment existing there and elsewhere in Canada?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I am not aware of any formal request from the company asking for assistance; but, in any event, I shall look into the matter.

[*English*]

Mr. Stanfield: Mr. Speaker, may I ask the minister to confer with the Member of Parliament for that area?

Mr. Marchand (Langelier): That has already been done, Mr. Speaker.

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POLLUTION

THREAT POSED BY TANKER TRANSPORT OF OIL FROM VALDEZ, ALASKA, TO CHERRY POINT, WASHINGTON

Mr. Barry Mather (Surrey): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. The other day, in answering questions, the Minister of Fisheries and Forestry indicated that he believed that the Secretary of State for External Affairs was aware of and would be concerned about the massive pollution threat to British Columbia involved in the plan of American oil companies to ship oil from Alaska by tanker down the British Columbia coast. This is a matter of grave concern to many British Columbians. Would the minister consider making an early statement indicating what the position of the government is on this matter?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker, I would consider doing this. I can assure the hon. member that the statement made by the Minister of Fisheries and Forestry that we are very concerned is correct. We are following developments very closely. There are a number of lines upon which we can approach the subject. I think he is aware, however, that the ships would pass either through international waters or through American waters and never through Canadian waters. Therefore it would be a question of seeking international action to deal with the threat of pollution.

* * *

FINANCE

SUGGESTED TAX CONCESSIONS FOR OIL EXPLORATION

Mr. William Skoreyko (Edmonton East): Mr. Speaker, may I direct a question to the Minister of Finance. Would

he give favourable consideration now to further assistance, through tax concessions or tax incentives, to exploration companies interested in exploring for more oil in view of the uncertainty of supplies from the Middle East?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, of course any suggestion made by my hon. friend will receive consideration by me. I would, however, indicate that any announcement with respect to tax policy would have to be made in the ordinary way in the House of Commons in the budget.

* * *

FILMS

TAKEOVER OF CINEPIX BY KALVEX INCORPORATED OF NEW YORK—PROTECTION OF DEVELOPMENT CORPORATION INVESTMENT

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Secretary of State. Has the Montreal based film company, Cinepix, been taken over by Kalvex Incorporated of New York? If that is the case, what action has been taken by the government to protect the investment of the Canadian Film Development Corporation in this former Canadian company?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I believe that the transaction mentioned by the hon. member has effectively taken place. I have no special information about it, but the sale was announced in the newspapers.

As to the measures taken by the Canadian Film Development Corporation to protect its investment in certain films produced by Cinepix, I will have to inquire from the Canadian Film Development Corporation before giving a reply to the hon. member.

* * *

[*English*]

AGRICULTURE

CORN BLIGHT—PROVISION OF INFORMATION BEFORE PLANTING SEASON

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, may I direct a question to the Minister of Agriculture. As a result of the devastation caused by the corn blight in Canada last year and the uncertainties as to the extent of the danger this year and as to the availability of resistant seed, does the minister propose to make known, by way of a statement, press release or bulletin, all pertinent information on this matter before the planting season?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we are watching this very carefully and also looking carefully at the forecast that the United States is making respecting the prospective plantings of corn in the United States during the coming season. We believe, from what we know, that there will be not sufficient resistant seed available for the whole of North America. Nevertheless, we certainly think there might be something that would be useful to the farmers which could be announced before the planting season and, if so, we shall do so.

Inquiries of the Ministry

HOUSING

LEGISLATIVE CHANGES TO PERMIT PUBLIC HOUSING TENANTS TO SHARE SAME BUILDINGS WITH OTHERS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is for the Minister without Portfolio in charge of housing. Is he giving consideration to changes in the housing legislation which would permit public housing tenants to share the same building facilities with other tenants who are not subsidized?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, that accommodation would be possible in certain ways under the provisions of the Act as it stands now. We have been trying to exploit this matter by asking the provinces to be the prime tenant in buildings to accommodate such people which are not completely public housing units. There are other ways of doing it. This involves a rather detailed approach and I could discuss it with my hon. friend outside the House if he so wishes.

Mr. Orlikow: Mr. Speaker, may I ask the minister, in view of what he said, whether Central Mortgage and Housing Corporation is preparing proposals which could be discussed with the provinces in order to put into effect this kind of policy?

Mr. Andras: Mr. Speaker, discussions of that kind are going on all the time.

* * *

NATIONAL DEFENCE

DELIVERY OF CF-5 PLANES—STORAGE AT NORTH BAY

Mr. A. D. Hales (Wellington): Mr. Speaker, may I direct a question to the Minister of National Defence. It has to do with the tactical ground support air fighter known as the CF-5. Have the balance of the 115 CF-5's been delivered by Canadair? Second, in view of the shortage of storage space at Trenton, is the minister planning or arranging to dismantle these aircraft and store them at North Bay?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, my most recent information is that the assembly line will be delivering both NF-5's for the Netherlands government and CF-5's for another several months. I believe I am correct in saying that some of the aircraft are in temporary storage now at North Bay. I can inform the hon. member that we will be submitting the CF-5 to trials in Norway for the balance of this month. I would hope to be able to make a statement about the middle of March, probably to the committee on defence, with respect to the use of the aircraft.

While I am on my feet, Mr. Speaker, I wonder if I might respond to a question—

Mr. Speaker: Order, please. I wonder whether the hon. member for Wellington has a supplementary.

Mr. Hales: I intended to ask a supplementary but the minister has answered it.

[Mr. Olson.]

OPPORTUNITY FOR PROMOTION OF ENGLISH-SPEAKING MEMBERS OF ARMED FORCES WHO FAIL TO PASS SECOND LANGUAGE TEST

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, on Tuesday the hon. member for Swift Current-Maple Creek and the hon. member for Dartmouth-Halifax East raised questions with regard to a circular distributed among units of the armoured corps units of the land forces on the question of bilingualism. I found that the circular related to opportunities for promotion with the Douzième Régiment Blindé Canadien which is stationed at Valcartier. As the hon. member knows, there are four regiments in the armoured corps. In three of them the primary language of expression is English. In the fourth the primary language of expression is French. In the English-speaking units there is a surplus at present of senior NCO's.

Mr. Forrestall: How come?

Mr. Macdonald (Rosedale): I suppose they have more sergeants than time at present. In any event, there is a surplus owing to the reduction of the number of units from the previous force structure. There is a shortage of senior NCO's in the French-speaking regiment. Efforts have been made, of which the circular was one, by which NCO's would be given the opportunity to gain promotions by acquiring a facility in the French language and joining that regiment. I confirm to the hon. member for Swift Current-Maple Creek that, while that offers opportunities within the Douzième Régiment Blindé Canadien, it does not affect regular promotion among English-speaking units, which will, as always, be on the basis of merit.

Mr. Jack McIntosh (Swift Current-Maple Creek): I wish to correct a misunderstanding with regard to the minister's statement. I did not mention a circular or directive in my question. I asked two straight-forward questions. Will promotions for English-speaking Canadians be based on an aptitute test and their willingness to serve in a Francophone environment? The minister has not answered those questions in his statement today. I wish to correct some of his statements. I know for a fact that certain officers—

Mr. Speaker: Order, please. I have to interrupt the hon. member. This is now a debate between the hon. member and the minister.

Mr. J. M. Forrestall (Dartmouth-Halifax East): I welcome the indication from the minister, but in the directive that went out was there an indication that promotions within the armoured regiments of the Canadian Armed Forces would be restricted for the next two years to those who have a facility in the French language and desire to move into the Francophone unit?

Mr. Macdonald (Rosedale): I am not sure if that was in the directive. It was certainly in the copy of the document which the hon. member gave me. It would only be on the basis that, where there is a shortage of sergeants in the Francophone unit, obviously promotion will be

quicker than in the other units. I confirm that promotion within the English-speaking force will be on the same basis as always, but of course the same opportunities will not exist there because there are more men than positions at the present time.

Mr. Forrestall: Just so that I will understand the situation correctly, is the minister in effect stating that there has been no basic change in promotional procedures within the Canadian Armed Forces, or is there some slight exception with respect to the armoured regiments because of an overbalance of both commissioned and non-commissioned officers?

Mr. Macdonald (Rosedale): I would say there would be no difference at all in procedures. At the present time there is a difference in opportunities. Perhaps at a future time it may be balanced in the other direction.

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ROYAL CANADIAN MOUNTED POLICE

INQUIRY AS TO LANGUAGE APTITUDE TEST AFFECTING PROMOTION

Mr. Jack McIntosh (Swift Current-Maple Creek): Perhaps my supplementary question should be directed to the minister in charge of the Royal Canadian Mounted Police. Has a similar directive gone out to members of that force stating that promotion will be subject to a language aptitude test and willingness to serve in a Francophone environment?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I did not get the hon. member's question. Would he be kind enough to repeat it?

[*English*]

Mr. McIntosh: Has a similar directive gone out to officials of the Royal Canadian Mounted Police stating that members must take an aptitude test, be bilingual and willing to serve in a Francophone environment?

[*Translation*]

Mr. Goyer: I will inquire, Mr. Speaker.

* * *

[*English*]

STATUS OF WOMEN

IMPLEMENTATION OF COMMISSION RECOMMENDATIONS

Mrs. Grace MacInnis (Vancouver-Kingsway): I wish to direct a question to the Prime Minister. Is the Prime Minister prepared to make an early statement as to the government's plans with regard to the implementation of the report of the Royal Commission on the Status of Women?

Right Hon. P. E. Trudeau (Prime Minister): The report is under consideration by the government, Mr. Speaker. I am not yet in a position to state what the future plans will be.

Inquiries of the Ministry

NATIONAL SECURITY

RETURN OF FINGERPRINTS OF PERSONS RELEASED WITHOUT CHARGE

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a question for the Minister of Justice further to a question asked yesterday. I wish to clarify the record or at least my own mind. Have the fingerprints been returned to all the 435 people who were detained under the War Measures Act and subsequently released without charge, regardless of whether they were apprehended by the RCMP or by other police forces? Have all fingerprints been returned to these 435 people?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, when I used the word "returned" it might have left a certain ambiguity. What happens is that fingerprints taken by any police force in Canada are sent to the Royal Canadian Mounted Police by way of a central depository. When I was Acting Solicitor General and Minister of Justice at the same time I advised the RCMP that they had to return these fingerprints. These fingerprints were returned to the police forces that originally took them. The prints are presumably in the hands of the police forces which originally apprehended or arrested these people, unless they have since been returned.

Mr. Fairweather: Yesterday the minister clearly indicated that the practice of holding fingerprints was clearly illegal. What steps is the minister taking to ensure that police forces illegally holding these fingerprints will return them to the people who have been released without charge?

Mr. Turner (Ottawa-Carleton): The steps that can be taken by the federal jurisdiction have been taken, Mr. Speaker.

Mr. Fairweather: Have all the fingerprints been returned by the provincial and municipal police to those people who were released without charge? Are there any fingerprints of those 435 people still in the hands of the police? If the minister does not have this information, will he please obtain it?

Mr. Turner (Ottawa-Carleton): I will certainly get it, Mr. Speaker.

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AGRICULTURE

EXCLUSION OF CATTLE AND CALVES FROM FARM PRODUCTS MARKETING BILL

Mr. R. E. McKinley (Huron): My question is for the Minister of Agriculture. In view of sharp conflicting interests between the cattlemen's associations and other producer groups, especially in eastern Canada, is it still the minister's intention to have cattle and calves excluded from Bill C-176 as he stated earlier?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, it will be up to the Standing Committee on Agriculture as to how they wish to amend the bill. What I said was that there was general agreement, as found in the communiqué issued following the first ministers' meeting in September, that this would be an amendment upon which they would look favourably.

Inquiries of the Ministry

POLLUTION

AIR—SARNIA-WINDSOR AREA—DISCUSSION OF INTERNATIONAL CONTROL STANDARDS WITH UNITED STATES GOVERNMENT

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the report released yesterday by the International Joint Commission that air pollution along the St. Clair and Detroit rivers in the Sarnia-Windsor area has reached the point where it is detrimental to health, safety and property, and that much of this air pollution comes from the United States, have any moves been made to discuss international air pollution standards with the United States government?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker.

Mr. Harding: Will this problem of air pollution be transferred to the new department of the environment in the same way that water pollution problems are under the International Joint Commission?

Mr. Sharp: I expect so, Mr. Speaker. The Minister of Fisheries, who is the minister-designate of the new department, has already put in hand steps for consultation between the United States and Canadian governments even before this report was made available.

Mr. Jack Cullen (Sarnia-Lambton): I have a supplementary question for the Secretary of State for External Affairs. In view of the recent report of the International Joint Commission dealing with air pollution, particularly the section which states that in the Sarnia-Port Huron area Canadian and American culpability is 50-50, will the minister in conjunction with the new minister of the environment consider a pilot project of government aid and direction in this area in conjunction with the American authorities to clean up the air and set a pattern for all levels of government to follow?

Mr. Sharp: We will be very happy to consider this suggestion, Mr. Speaker.

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HOUSING

STATUS OF MORTGAGE ON ROCHDALE COLLEGE, TORONTO

Mr. W. C. Scott (Victoria-Haliburton): I have a question for the Minister without Portfolio in charge of housing. On January 21 I asked the minister if he had any statement to make with regard to Rochdale College in Toronto. He replied: "I shall be making a more elaborate statement on the situation in the not too distant future." I would ask the minister if he is in a position to make that statement today? If not, when can the House expect it?

Hon. Robert K. Andras (Minister without Portfolio): I cannot make it now. I will try to make it as soon as possible, but there are several negotiations under way at the moment with no final decision capable of being taken under the circumstances.

[Mr. Olson.]

WELFARE

PROVISION OF ADDITIONAL FINANCIAL ASSISTANCE TO PROVINCES

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I wish to direct this question to the Minister of National Health and Welfare. It has to do with the federal-provincial conference which is to take place next week and the indication that some premiers would like to discuss unemployment on a priority basis. Can the minister advise whether the federal government intends to offer to the provinces additional assistance to enable them to meet the high welfare costs this winter which are a direct result of unemployment?

Hon. John C. Munro (Minister of National Health and Welfare): I do not believe so. As I indicated in reply to a similar question on Monday, the government has this matter under consideration. If and when a decision is reached, an announcement will be made in the House.

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GRAIN

SALE OF FLOUR TO RUSSIA, COMPLETION OF AGREEMENT, HANDLING OF ARRANGEMENTS BY MILLING COMPANIES—INCOME PROPOSALS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I should like to direct a question to the minister in charge of the Wheat Board. In light of your observation about supplementaries, Mr. Speaker, I shall try to make it a triple-barrelled question. Having regard to the statement of the minister concerning the sale of flour to the U.S.S.R. for delivery to Cuba, can the minister advise whether this completes the master agreement as far as flour sales are concerned or, if not, what portion of the agreement has now been completed and whether or not any of the private milling companies are handling these arrangements? Can he assure the House that the industry is in a position to handle this transaction without difficulties such as it has had in previous years? The third part of my three-barrelled question is this: is the minister now able to reply to the question I asked yesterday; in other words, can he assure the House that any announcement he may make respecting his proposals for grain income will be made here and not outside the House?

Mr. Speaker: Order, please. The minister might be allowed to answer this triple-barrelled question quickly, but the question period expired a few minutes ago. I believe the Leader of the Opposition also has a question to ask and perhaps with the consent of the House he might be allowed to do so.

Hon. Otto E. Lang (Minister of Manpower and Immigration): The flour sold to Russia was basically for shipment to Cuba during 1971. It amounted to 248,000 long tons, roughly the equivalent of 12,300,000 bushels of wheat. This would leave an approximate amount outstanding of 41,000,000 bushels on the long-term contract. The sale was negotiated by the Canadian National Millers

Association on behalf of its members and I have no doubt of their ability to fulfil the contract. As to the third part of the question, it would ordinarily be my intention to make any important announcements concerning government policy in the House.

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FEDERAL-PROVINCIAL CONFERENCE

INQUIRY AS TO AGENDA

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to direct a question to the Prime Minister. Since the Minister of Justice has announced that the subject of unemployment will be on the agenda of the conference with the provinces, can we be told when the Prime Minister will be in a position to indicate to the House the agenda which the conference will be considering?

Right Hon. P. E. Trudeau (Prime Minister): We shall follow the usual procedure. It has been usual to make the agenda public after its adoption by the conference on the Monday morning, and I will again propose this course to the provinces. I do not see why they would not agree, as they have in the past.

Mr. Stanfield: I hope the Prime Minister will not reprimand the Minister of Justice for releasing a portion of the agenda.

* * *

POLLUTION

MONTREAL AIR—ASSISTANCE TO MUNICIPAL AUTHORITIES

Mr. David MacDonald (Egmont): On a point of order, Mr. Speaker, earlier this afternoon I attempted to ask a serious question with regard to pollution in Montreal. Unfortunately, the minister responsible was not present in the House at the time. He will not be here tomorrow, and since there is an immediate problem I wonder if Your Honour would allow the hon. gentleman to tell us what steps his department is taking to deal with the emergency which has arisen with respect to air pollution?

Hon. Jack Davis (Minister of Fisheries and Forestry): The immediate situation is being dealt with by the local authorities but we have been in close consultation with the Quebec government on the subject of the clean air bill to be brought before the House shortly, a measure which will enable us to co-operate more effectively with the province in dealing with problems of this kind.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. MacLean: Perhaps I might be permitted to ask the President of the Privy Council whether he can announce the business the government proposes to bring forward tomorrow and next week.

Inquiries of the Ministry

Mr. MacEachen: Today, we shall continue to discuss the reorganization bill. Tomorrow, we propose to call the legislation dealing with the setting up of the Canada Development Corporation, or, alternatively, the bail reform measure. I understand there will be some consultation later today to determine which of those two subjects would be more appropriate.

On Monday I should like to call the CNR financing bill, to be followed by the government organization bill. After that, until Wednesday, the House will deal with any bills which now remain on the order paper at the report stage. On Wednesday and Thursday I should like to resume, and end, the budget debate.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, perhaps I might say just a word. It was at my request, during the negotiations which have been going on in the past hour, that the business for tomorrow was not made firm. We understood that the Official Opposition did not wish to go ahead with the debate on the Canada Development Corporation. We had some difficulty in getting ready for the bail bill. Now, I am able to say that if there is general agreement to proceed with the bail bill, this would be agreeable to us and we might proceed on that basis. It might be useful for everyone to know for sure what will be the business for tomorrow.

Mr. MacEachen: That is satisfactory. If, perchance, we complete the second reading of the bill respecting bail, we might take some of the smaller items which have already reached the report stage.

Mr. MacLean: It might be preferable to proceed as suggested and take the bail bill tomorrow followed, if there is time, by some small items.

• (3:10 p.m.)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Wednesday, February 3, consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

The Acting Chairman (Mr. Richard): Order. Before any hon. member rises, I should indicate that yesterday evening we had almost concluded discussion of clause three and that the hon. member for Comox-Alberni had the floor.

On clause 3—*Department Established*

Mr. Barnett: I have now had an opportunity of examining the observations made by the minister yesterday in

answer to some questions I raised about quality standards as affected by mine tailings. I cannot but express surprise at the indication that the proposed ministry will play a very passive role when it comes to the application of the new provisions in the Fisheries Act, for whose administration the new department will be responsible.

As I understand it, the application of the relevant provision of the Act as amended last session in connection with the requirement for the submission of plans by industry, is to be left in abeyance. The minister suggested that his officers might keep the situation under surveillance and take action of some kind if the situation seemed to require it. However, apparently no provision is being made for any official approval or permission being given before a plant proceeds with its plans. He said no permit would be issued.

I think the minister fully appreciates the importance, indeed the urgency, of this question in relation to some of the mining developments that are taking place near the coastal waters of British Columbia. Certainly, he is aware of the developments at the north end of Vancouver Island on Quatsino Sound. I am sure also he knows about the application by Texada Mines, which I understand is before the pollution control board of British Columbia, with regard to the disposing of its effluent into the Strait of Georgia. This is an area very dear to the minister's heart, and he has been talking about having it made into a national park.

I wonder whether the minister could enlighten us a little further on the statements he made yesterday with regard to how he envisages the new department of the environment will control mine effluents in water areas. This question is important not only to the commercial fishery but also in respect of many other amenities such as recreation and the enjoyment of areas such as the Strait of Georgia.

Mr. Davis: Mr. Chairman, the hon. member has been asking whether we are taking advantage of the new provisions of the Fisheries Act to insist on information from mining companies relative to their plans for expansion. I hasten to assure him that this is the case. We are reviewing a dozen projects at the moment. In instances where we find there is not likely to be any damage to the fishery or to any other aspect of the marine ecology, we still reserve the right to prosecute if later the development is found to be of a different character than we had been led to expect or our own analysis turns out to be wrong.

I must hasten to add that we do not give permits to carry out a given operation, but we do insist on obtaining the plans and vetting the intentions of the company in question. We can ask for modifications, as was the case with the Utah Mining company in Quatsino Sound, and will always monitor the industry's operations to ensure that the aquatic environment is protected. This practice is being followed in a number of places across the country. For instance, in the Miramichi we are working with the mining industry, vetting its plans for expansion and giving advice with a view to reducing hazards to fish life in that basin.

Mr. Barnett: Mr. Chairman, there is one further aspect I should like the minister to clarify. I am not in any way seeking to encourage any areas of difference between federal and provincial administrations; nevertheless, I think we are all aware that from time to time, as a result of different approaches and the existence of different legislation, federal and provincial, there may well be at times some difference of view.

One of the things that has been puzzling me is this. Let me take as an example the Quatsino Sound operation of Utah Construction and Mining, to which both the minister and I have made reference. I understand a permit has been issued in respect of that operation by the pollution control board of British Columbia. I also understand that, generally speaking, the plans which are being developed have, if not the blessing, at least the acquiescence of the Department of Fisheries. This development is taking place in what is undoubtedly an important fisheries area. In view of this, if a permit were issued by the provincial pollution control board under terms and conditions that required action to be taken to deal with the discharge of tailings but which, in the opinion of the minister and the department, were entirely inadequate as far as the protection of the environment and aquatic life were concerned, what kind of machinery would the minister envisage to resolve an impasse of this kind? The minister has mentioned that no permit would be issued; that the blessing of the department with regard to the specifications for carrying out the operation has priority over the decision of any provincial board in such an instance as this. Could the minister enlighten the committee in this regard?

Mr. Davis: Mr. Chairman, the hon. member is thinking of a specific instance on Canada's west coast—

Mr. Barnett: Mr. Chairman, may I intervene to say that I cited that only as an example. I am not suggesting there is any dispute in this regard; I am merely putting a hypothetical proposition to the minister.

Mr. Davis: Mr. Chairman, might I use the example that the hon. member brought forward to illustrate my point. My point is that there are federal provisions dealing with pollution in the west coast instance referred to, the Fisheries Act. There is also provincial legislation, the legislation setting up the provincial pollution control board. It is necessary for the company in question to comply with both pieces of legislation. While it is possible that this development would receive the full approval of the provincial authorities, it could still run head-on into federal legislation, the regulations, for example, made pursuant to the federal Fisheries Act.

In the instance of the Utah Mining the company would have to do two things. It would have to satisfy the federal government, particularly with respect to the provisions of the federal Fisheries Act; it would also

have to satisfy the rules laid down by the B.C. pollution control board. We have a good working arrangement with the B.C. pollution control board whereby, before it grants a permit, it has the application vetted by the federal department of fisheries regional office. We have had no instance within the last year or two of any provincial permit being granted without the scrutiny of and clearance by the federal fisheries people. We are working closely together. But in an imaginary case where the industry offends the Fisheries Act but somehow manages to gain the approval of the provincial control board, it, the industry, is still in trouble with the federal authorities.

Mr. Barnett: Coming back, Mr. Chairman, to the minister's statement that no permit is issued, what evidence does an operating mining company have that in fact it has the approval of the federal authorities? Take the case of a mine development where, as matters stand, part of the ability of the firm to secure the necessary development financing hinges on federal approval of its operating plans. If there is no system of permits, what evidence does the mining company have that, in fact, the plans that it is proposing have the approval of the federal control authorities?

This is one of the administrative questions that arise in the development of this kind of legislation which I think is of interest and concern. I can see some important question being raised with regard to the ability to develop a resource as well as the ability of a company to give evidence to concerned citizens in the area that its plans have in fact been examined and approved.

• (3:20 p.m.)

Mr. Davis: Mr. Chairman, the company would be unwise to proceed with its plans and to invest a substantial amount of money in a development which was likely to have an unfavourable impact on the local ecology without first having discussed it with our federal people in that area and having been satisfied that we saw no great difficulty in their planned proceedings. In situations where the provincial board also requires the approval of the federal authorities the industry should make doubly sure that our federal people are happy with the development and can see no major problem arising from it.

Of course, the federal department can step in and demand plans in cases where the company has not been cooperative in making its plans available, or neglects to make modifications which our engineers say should be made to protect the local environment. This is a matter involving disclosure, close liaison and frank advice on the part of the department. As I said, we do not approve of the project. The provincial authorities may give approval, but we reserve the right to move in at any time and to require further modification if there is any evidence of danger to the environment.

Mr. Harding: I have several questions I should like to put to the minister. I asked a question this afternoon of the Secretary of State for External Affairs regarding the moving of international air pollution problems into the jurisdiction of this new department. Does the minister feel that the existing legislation gives him the power to deal with these problems? As I see it, he only has authority to deal with international problems in respect of water. If the powers are not there, will he bring in an amendment to make certain that solutions in respect of international air pollution will fall within the purview of the new department?

Mr. Davis: Mr. Chairman, this is one of the essential elements of the new clean air act.

Mr. Harding: Does the minister then feel he needs nothing in this measure to indicate that his department is the one which will deal with these problems? I think the authority should be included or at least clarified. Will it be included in a schedule to the new clean air act? If it is not, it should be in order that international air pollution problems may be handled by the minister's department.

Mr. Davis: Mr. Chairman, the clean air act is not a fact. It has not yet been introduced in this House. It is the government's intention, however, to include a new clean air act as one of the responsibilities of our new environment department.

Mr. Harding: That is very welcome news. Is it the intention of the new department to set up a council of the environment based on similar lines to the Economic Council of Canada?

Mr. Davis: We are giving this matter very serious consideration. I doubt, however, whether legislation to set up a council can be brought in during the current session. It will have to be considered during the next session of Parliament because of the heavy agenda we already have ahead of us in this House.

Mr. Harding: Who or what section of the new department will be in a position to assess the ecological costs of different development programs throughout the country? I am thinking in terms of a hydro plant being built on some river. Are there powers under the minister's department to carry out an ecological survey in respect of the cost of these projects?

Mr. Davis: I think the hon. member was one of those who said the fisheries service should be separated from the environment department. One of the capabilities which will be brought to bear on any hydro development in a fisheries river will be the staff of the federal fisheries service. We will also have the support of the biologists in our wildlife service and the engineers from the water sector of the Department of Energy, Mines and Resources. We will have the technical competence to assess the ecological consequences of hydro dams and other types of industrial development as well. One of the reasons for including the fisheries service in this new department is to include a biological competence to deal with the ecological aspects of industrial development.

Mr. Harding: Might I just follow up with another question or two on this matter? The fisheries department has always been interested in navigable waters, and in a position to take a stand on anything that would have an effect on the fisheries in navigable streams. The point I am getting at is that Crown corporations which wish to build a hydro dam are not covered by the Navigable Waters Protection Act. They are answerable to no one, either provincially or federally. We are bringing the water resources branch into the new department but why are we not putting the Navigable Waters Protection Act under the jurisdiction of this new department? This is one of the things excluded in schedule A.

Mr. Davis: Mr. Chairman, the simple answer is that the Navigable Waters Protection Act has to do with navigation and not ecology. If a hydro development were likely to interfere with navigation or the use of a river for that purpose, such an assessment would, I think, be made by the Department of Transport rather than a department dealing with the environment.

This is not to say we will not be concerned about the impact of that development on living resources, or about an industry which exploits the living resources of a stretch of river including fisheries, wildlife and, to the extent we have federal authority, forests and so on. We will be concerned about hydro development or any other project on a river, and we will have some views about navigation as well. Nevertheless, the administration of the Navigable Waters Protection Act should be a matter for the Department of Transport, not the department of environment. I think the hon. member sees this as a way of stopping pollution rather than protecting navigable waters for navigation. This Act is to protect Canadian waters from the point of view of navigation alone.

Mr. Harding: I think this is one of the key points as far as studies of the ecology are concerned. I have in mind what might be done behind a hydro dam, for example. The Navigable Waters Protection Act prevents one from putting many types of pollution into a navigable water. However, the point I am coming to is that the minister's department will be helpless to do anything about the ecological damage which occurs behind a dam. The department will be able to make ecological surveys, but will not be able to do anything about the damage unless we make the Navigable Waters Protection Act applicable to Crown corporations in the name of the provinces or the federal government. I urge the minister to give serious consideration to this aspect.

As the minister knows, we have had several disasters in British Columbia. One occurred behind the Duncan Dam, where tens of thousands of acres of valuable timberland were flooded. This pollution problem will exist as long as we allow this type of thing. The Mica Dam on the Columbia River will create a lake 125 miles long, and none of the timber is to be cut before the area is flooded. Since this is a navigable stream, it is within federal jurisdiction. There must be some provision in the legislation which will force hydro authorities to clean up. We will not allow that type of pollution to exist. This is the point I am trying to make. We cannot allow this legislation to pass without some provision for checking on the type of development that has taken place all over Canada, not only in B.C. These are the things about which we are apprehensive. I urge the minister to attempt to insert into these acts—and the Navigable Waters Protection Act is one—a provision which will make Crown corporations subject to those acts.

• (3:30 p.m.)

I think the minister's department should call for ecological surveys to be carried out. If the cost of the damage behind the dam is so extensive that the project is not a paying proposition, we should turn thumbs down on the project and obtain power by other means. This is of vital interest to all sections of Canada. New dams will be built; some of them will start this year. We cannot let this situation go on any longer. Someone has to start surveying, and I suggest this new department should tackle it.

Mr. Davis: Mr. Chairman, the hon. member has raised an interesting point, but let me draw his attention to the Fisheries Act which enables us to do the very things that he has been mentioning. The Fisheries Act was amended in several ways last spring, that is in the spring of 1970. One way in which it was amended was to include Crown corporations and agencies, provincial and federal. We have used it against Manitoba hydro, requiring it to release water into the lower reaches of the Nelson River recently. We required Manitoba hydro to look after the ecology downstream of the big new dam at Kelsey on the Nelson River. We have done in Manitoba just the sort of thing that the hon. member is suggesting we do under the Navigable Waters Protection Act. Under the Fisheries Act we can deal with pollution and directly. We do not have to use the pretext of navigation. We have the powers which he is asking us to use.

Mr. McCleave: I should like to draw to the minister's attention a recommendation by members in the Official Opposition in connection with the environmental council of Canada to which reference was made a few minutes ago by my hon. friend to the left. Earlier in the debate I referred to the report of the pollution probe conducted, under the auspices of the Leader of the Opposition, a document signed by one John A. Fraser and our colleague, the hon. member for Parry Sound-Muskoka who has been absent from this debate because of illness. The House will be pleased to know that he is recovering and we hope will be back with us very shortly. When a person of his calibre is missing there is a substantial loss to a debate like this.

I should like to quote, without very much embellishment because I am not as knowledgeable in this field as is the hon. member for Parry Sound-Muskoka, one of the recommendations of the pollution probe carried out under the auspices of the Leader of the Opposition.

> Establish an environmental council of Canada, composed of a majority of members outside the government service, drawn from such organizations as citizens' anti-pollution groups, universities, industry, labour and conservation bodies, and with

government representation. The council would be provided with the necessary funds and facilities to advise the government and Parliament on environmental matters generally.

I have quoted word for word what is contained in that document. Since the minister is faced with the challenge of a new department and with some rather substantial problems indeed, some of which have been raised by me and some by other members during the debate, members on this side of the House as well as those on the minister's side would probably find it acceptable if he were to decide to take the plunge and establish an environmental council of Canada.

The only other point I would make to the minister, if he were to consider such a worthwhile step, is that he and the government pay more attention to such an environmental council's recommendations than the present government is now paying to the recommendations of the Economic Council of Canada.

Mr. McCutcheon: Recently, a report of the International Joint Commission painted a pretty dim picture of the situation so far as the Great Lakes are concerned. I was pleased to learn yesterday during the debate that the minister is establishing national standards which will apply across Canada. I understood from his answer that the standards set by his department would be the yardstick so far as pollution levels across the country were concerned. I asked him yesterday about the Great Lakes and quoted from clause 5 which provides that his department is to enforce rules and regulations made by the International Joint Commission. The question is this: does the International Joint Commission have the necessary expertise in this particular field to make these recommendations? If they do, will we not be duplicating this service through the minister's new department? I am concerned that one day the International Joint Commission might make a regulation with which the minister had nothing to do other than to enforce it.

I respect the dedication of the minister, but I am afraid that he may wind up one day in a straitjacket, being told what to do by IJC and their regulations may not meet his standards. Is there not a chance that we will be duplicating services? Every time you do that you are just postponing the day when this problem will be solved. The more bodies we have, the more chance there is for a foul up.

Mr. Davis: The answer is that there is no overlapping and no duplication. The International Joint Commission is a very compact commission. In a sense, it is like a court, a six man body made up of three Canadians and three Americans. I believe the staff of the Canadian section includes one engineer only, one lawyer. It looks to government personnel in each country to find answers, factual answers and make technical judgments. These studies are provided by agencies of the Canadian government, of the U.S. government and, on occasion, provincial and state water resources commissions.

Our technical people in the new department of environment, with the people from the Ontario Water Resources Commission in the case of the lower lakes, will be doing all of the basic technical analyses. We will be making many of the technical recommendations that flow up to the International Joint Commission. Those six gentlemen, in their wisdom, will make certain general recommendations to the heads of government in the two nations. So, coming back to the same technical people, these recommendations will, in large measure, stem from their technical expertise in the first place, and will be coming back to them to enforce. Of course, the IJC, in its wisdom will make the recommendations, delete some, and perhaps modify others, but the technical overlap is at an absolute minimum. There is no duplication and the technical recommendations made by our staff to this IJC may be recommendations which they, months later, will be required to enforce.

• (3:40 p.m.)

Mr. Orlikow: Mr. Chairman, I was interested in the minister's statement that under the new regulations the federal government insisted that Manitoba Hydro take steps to assure the water flow in the Nelson River, behind the dams that are being built, would be sufficient to protect the ecology in that area. Could he tell us what he and his department are doing about the pollution of very important waters in the province of Manitoba by industries outside the province?

Lake Winnipeg is one of the largest lakes in the country, and probably for a hundred years very important commercial fishing operations have been conducted there. Now, the lake has been closed to commercial fishing because it has been polluted. The Manitoba government is in the process of taking legal action against a paper company in Dryden, Ontario, and against a chemical company in Saskatoon which has been discharging poisonous material into the Saskatchewan River which flows into Lake Winnipeg. Can the minister tell us whether, under the Navigable Waters Protection Act or the Fisheries Act, he has the authority to take steps to prevent companies from continuing to discharge into waters which eventually flow into another province, the kind of substances which would destroy both commercial and sport fishing operations?

Mr. Davis: The answer to the hon. member is that we do have the powers. We have powers today which are sufficient and have been sufficient in the case of mercury pollution affecting the Lake Winnipeg fishery. The two plants in question, one in Saskatchewan and one in western Ontario, have ceased to discharge mercury in any quantity into their neighbouring waters. They have reduced their pollution by upwards of 95 per cent in one case and by 99.5 per cent in the other. This reduction has been the result of our action under the Fisheries Act.

We have another problem here. We do not have adequate legislation to deal with compensation for the downstream interests that have been affected by pollution of this kind. It is principally under provincial legislation that the damage done to property is covered, and this is the main reason that the Manitoba government is using provincial law to prosecute the two polluters, one in western Ontario and the other in Saskatchewan.

Similarly, the government of Ontario has passed legislation which will enable its arm, the Ontario Water Resources Commission, to deal with polluters in that province and gain compensation for downstream interests for loss of income and injury to property. We are looking at ways and means by which we could deal with this problem at the federal level. In other words, we do not have all the legislation we may need in order to deal with the problem.

Mr. Orlikow: With respect to mercury pollution, can the minister say whether his technical people have made any studies, and reached any firm conclusions, as to when the steps taken recently to prevent further pollution will be so effective that the content of mercury in Lake Winnipeg will have dropped to a point where commercial and sports fishing will again be feasible?

Mr. Davis: It is difficult to tell. We do not have enough information. But the northern end of Lake Winnipeg has improved to the extent that recently the Premier of Manitoba was able to announce that it would open to summer fishing in 1971.

Mr. Ritchie: I would like to ask the minister what facilities he will have in his new department for the evaluation of tests to determine the toxicity of various products? I ask this in view of the fact that mercury has to be measured in very small quantities and, according to our tests, it has suddenly become a large pollutant. However, I notice that recently scientists are starting to question the validity of the tests, and whether it may not be mercury in its natural state which is responsible.

Mr. Davis: Mr. Chairman, I did try to answer that question yesterday. Briefly, there is mercury present in minute quantities in nature. These quantities vary from one location to another. We are endeavouring to find out what the background levels are in order to assess the over-all problem.

Mr. Harding: Mr. Chairman, I wish to ask one or two questions dealing with reclamation projects. For example, a section of the Ottawa River has been so badly polluted by mercury that it has been closed to fishing. There are a number of rivers all over the country in a similar state. Is the minister's department going to look into the question of reclamation projects, as I call them, for these rivers, and assess them on a basis of priority? What is the over-all plan in this regard?

Mr. Davis: We will do our utmost to rehabilitate our fisheries. In some cases dredging out mercury deposits near industrial plants may be the answer. In other cases, we may have to concentrate on other fish species in the area which are not affected to the same extent.

Mr. Harding: My next question applies not only to mercury pollution but to other sources of pollution that have caused tremendous damage. One is pollution from sewage. Where is the money coming from? Will the minister have enough money to handle reclamation projects? Is his department setting up some kind of loan fund so that plants or communities involved may be able to get cash to tackle these projects?

Mr. Davis: As the hon. member knows, Mr. Chairman, the federal government, through CMHC, has already made hundreds of millions of dollars available to municipalities to improve their sewage collection systems and to add to their sewage treatment facilities. I think it will be the principal vehicle for dealing with these situations which, in the first instance, must be assessed and dealt with by the municipalities, backed on occasion by the provinces. We will help fund or make moneys available at the federal level for the purpose of cleaning up.

Mr. Harding: I admit there is some money available through CMHC, but not enough. I think the fund was originally $75 million, and this was jumped to $80 million. There are a host of programs that municipalities cannot tackle because they do not have the cash. The money is not available to provide all the sewage treatment facilities needed. Something must be done. More money has to be made available through the department or through CMHC. Some 97 per cent of Montreal's total sewage is being poured untreated into the St. Lawrence. We often hear that there is a sufficient volume of water in the river to flush the effluent out to sea, where it cannot do too much damage. Yet, we find the same thing happening all across the country, even in British Columbia. The capital city of British Columbia is dumping its effluent in the sea. May I suggest to the minister that, even if we pass effective measures to deal with effluent, we shall have to increase the funds available to municipalities for the cleaning up of the sewage problem.

• (3:50 p.m.)

Mr. Skoberg: Mr. Speaker, yesterday I asked several questions of the minister, one of which was related to the Canadian Armed Forces Base in Moose Jaw. Having read *Hansard* I may say one answer leaves the impression that, despite the amount of money spent on the sewage disposal plant at the base, a certain amount of unwelcome effluent is still discharged into the Moose Jaw River. The fact remains that all the effluent from the base flows into the river, and is treated. The point I wish to illustrate is this: On Monday last, February 2, the Moose Jaw and District Labour Council attempted to present a brief to Moose Jaw City Council. According to a news release, they got part way through their presentation and were hammered down.

Mr. Francis: On a point of order, Mr. Chairman. I have been trying to follow the hon. member's remarks. I fail to see how his remarks are relevant to the clause before the committee.

Mr. Skoberg: Mr. Chairman, if the hon. member is patient he will see the relationship between my remarks and the subject we are discussing at this time.

An hon. Member: Don't make a speech first.

The Acting Chairman (Mr. Richard): Order, please. I will not repeat what I took the opportunity of saying yesterday. My hope is that when we come to clause 5, we shall not discuss at length those matters which ought to have been discussed on clause 5.

Mr. Skoberg: Mr. Chairman, you made that quite clear yesterday, when the hon. member for Ottawa West may not have been here.

Mr. Francis: I was here.

Mr. Skoberg: One of the base officers appeared before Moose Jaw City Council last Monday and said that effluent from the armed forces base was treated to a greater degree than required by the Department of National Health and Welfare. My question to the minister is this. Although the standard to which that effluent is treated is above the national standard set by the Department of National Health and Welfare, has the department taken into consideration the fact that there is practically no water flow in that river at this time of year or, indeed, early in the summer? In the supervision and policing of regulations, will this fact be taken into consideration? I ask this because various departments of government set various standards which they consider to be effective for the control of pollution.

Mr. Davis: Mr. Chairman, one must assume that any standards which are well drawn would make some reference to the surroundings into which the effluent is being discharged.

Mr. Orlikow: Mr. Chairman, a few days ago the minister made a speech in one of the maritime cities, Fredericton I believe. He is reported to have said that the new regulations being drafted by his department would prohibit or prevent industrial operations from polluting air and water, but that one would not expect existing plants to be brought up to standard immediately. I do not think any member of this committee or any person in Canada would disagree with the statement the minister is reported to have made. After all, we have plants in operation which are anywhere from five to 50 years old. When built, their designers did not pay the attention to pollution matters that we are now paying. I wonder if the minister would indicate whether, when he made that statement, he or his department had in mind some kind of timetable. Is there some time within which existing plants will have to be brought up to standards? Is it one year, five years, ten years or 20 years?

The hon. member for Ottawa West made a remark just now about speeches being in order. When I drove home last night, I thought I needed a gas mask. The odour coming from the paper plant across the river was so strong that one could hardly breathe. Could the minister indicate to members of the committee whether there is a timetable for imposing strict controls on new plants. What sort of timetable will be established with respect to plants already in existence?

Mr. Davis: Mr. Chairman, the deadline for each old plant or old mill will vary from plant to plant and mill to mill. It will be negotiated case by case. The longest time span I have heard of is seven years. For the great majority of instances involving plants such as pulp mills in western Canada, it will be less than five years. In other words, it will be two years or three years. Seven years is the outside limit.

Mr. Orlikow: What about the pulp mills on the Ottawa River, Mr. Chairman? How long will they be given?

Mr. Davis: The province of Quebec and the province of Ontario will, of course, be involved as well in cases where the mills are in Quebec or Ontario. Negotiations have yet to take place. However, our new regulations dealing with pulp and paper mills will shortly be promulgated and, as soon as they are, we shall have definite standards to enforce in these negotiations.

Mr. Barnett: Mr. Chairman, as I listened to the interjection by the hon. member for Ottawa West a moment ago, I recalled that not too many days ago he made a brief but eloquent speech about restoring the Ottawa River to its former pristine glory. I suggest to you, Mr. Chairman, that the Moose Jaw River is quite as important to the people of Moose Jaw as the Ottawa river is to the hon. member and to many of us who must come here to transact the public's business.

Mr. McCleave: It is just one more river to cross.

Mr. Barnett: I, therefore, wish to indicate to the hon. member, and to members of the committee, that the point raised by my colleague for Moose Jaw was most germane to the question of the establishment of the department of the environment. He spoke of the effluent being discharged from the Canadian Armed Forces base in the area. I had the opportunity of visiting Moose Jaw and of hearing some of the presentations on this subject. Nevertheless, as the minister said yesterday in committee, the federal government and the federal Parliament must clean up its own house first.

Although it may be true that, according to the health standards of the Department of National Health and Welfare the effluent being discharged into the Moose Jaw River is safe in that it will not breed diseases adverse to humans, the fact remains that the nature of the effluent discharged, effluent treated with chemicals such as chlorine, is such that it uses up the oxygen content of the water in the river. In the Ottawa River, this process has reached the point at which fish and other forms of aquatic life cannot survive. The people who like to take good fish out of the stream in the hon. member's constituency are finding that their local fishing has been destroyed; similarly, fish in the Ottawa River have been destroyed. The point I wish to have elucidated by the minister is whether, in his view, this department will effect some measure of improvement in situations such as these.

May I mention another point? I was inclined to agree with the minister when he suggested to my colleague from Kootenay West that the primary concern of the Navigable Waters Protection Act is navigation. None the less, I think the minister will agree that the interrelationships, in certain circumstances, between the Fisheries Act on the one hand and the Navigable Waters Protection Act on the other are quite important. While in some cases the amendments to the Fisheries Act, which are binding on Crown corporations and which were passed very quickly in the previous session, can be effective, there may be other cases where the effect on a fishery

will not be quite so great. Other forms of wildlife not covered by the Fisheries Act or the Canadian wildlife service may be affected. It might be effective to have a clear provision in the Navigable Waters Protection Act as well to make the Act binding upon both federal and provincial Crown corporations.

• (4:00 p.m.)

Possibly the minister might be willing to accept the offer of a gift. I would be glad to pass to him the initiative for taking over Bill C-105 which stands in my name. This bill puts a provision into the Navigable Waters Protection Act which is on all fours with the provisions included last year in the Fisheries Act. This could be very quickly dealt with in this House. I wonder whether the minister or his colleague, the Minister of Transport might see fit to put that proposition forward as a government proposal. It could then be brought forward on the Order Paper and dealt with quickly. It would ensure that disasters, such as occurred on the Peace River would be avoided. The fishery aspect of that disaster was not immediately apparent. In addition to protecting the fishery, we could ensure that Canada would have a further control over developments in various areas which directly or indirectly affect people in other parts of the country. Is the minister prepared to indicate whether he would accept that bill to amend the Navigable Waters Protection Act?

Mr. Davis: Some hon. members have argued that there are already too many departments in the act, and that the new department of the environment should have more powers. The hon. member is suggesting that under the guise of navigation, in effect the Department of Transport, we could deal more effectively with pollution. I cannot see the compatibility of those two arguments. I think that under the Fisheries Act or Canadian wildlife act we have the power to deal with the situation or to make other federal powers more explicit through new legislation, but not under the guise of navigation or under the general heading of transportation. Let's deal with pollution head on and call it by that name.

Mr. Harding: The minister referred to a Canadian wildlife act. I was not aware that we have a Canadian wildlife act on the statutes books. We have acts dealing with wildlife, but I did not think that we had a specific Canadian wildlife act on our statutes books. When are we going to have a Canadian wildlife act? Is it part of the policy of the new department to bring the various segments of wildlife under one act? Is this part of the plans of the new department?

Mr. Davis: Mr. Chairman, I should have used the right name of the act. It is the Migratory Birds Convention Act. My slip of the tongue was related to a wildlife act which is being prepared in my department. As the hon. member knows, many of the powers relative to the management of wildlife are provincial. When drafting our federal legislation, we have to be careful in this respect.

Mr. Harding: I have one or two short questions. This is very important. Will the new department have any control over the enforcement of the land use regulations which are in the process of being drafted for the Northwest Territories and the Yukon district?

Mr. Davis: Not directly, Mr. Chairman. The Northwest Territories administration, in many ways, acts in a similar manner to a province. Certainly, there will be close consultation. I expect in the department of the environment we will have much of the expertise upon which northern affairs can draw when preparing recommendations and developing a policy with regard to land use.

Mr. Harding: This is one of the weaknesses of the new department of the environment. A department which focuses mainly on economic development and not on protection of our northern ecology has control over 40 per cent of Canada's pollution regulations. Many of us are extremely worried. We feel that the new department should be an umbrella over all government activities rather than have its jurisdiction limited to a specific resource area.

I have one final question. I understand that the department will be dealing with the Skagit river. Can the minister indicate how these negotiations are progressing as this topic is very important to the people of British Columbia?

Mr. Davis: I understand that there has been close and continuing liaison with the United States through the Department of External Affairs. I hope to make a statement with regard to progress in that connection within the next week or two.

The Acting Chairman (Mr. Richard): Shall clause 3 carry?

Some hon. Members: Agreed.

Clause agreed to.

On clause 4—*Deputy minister.*

Mr. Crouse: Mr. Chairman, you have been following the line of questioning quite closely for the last half hour or three quarters of an hour. I am sure you will agree that all members are faced with a dilemma in view of the scope of this bill. Clause 4 reads:

> The Governor in Council may appoint an officer called the Deputy Minister of the Environment to be the deputy head of the Department of the Environment and to hold office during pleasure.

As I stated when speaking during the debate on second reading, I have no objection to establishing a department of the environment with a deputy minister of the environment whose prime responsibilities will be related to pollution control, especially as it affects our seacoast and inland fisheries. The department will also be responsible for our renewable resources, including the forest resources of Canada, migratory birds and other domestic flora and fauna. The department will be responsible for meteorology reports, the protection and enhancement of the quality of the natural environment, including water, air and soil quality. It will be responsible for technical surveys within the meaning of the Resources and Technical Surveys Act as well as the enforcement of any rules

or regulations made by the International Joint Commission which may be promulgated pursuant to the treaty between the United States of America and His Majesty King Edward VII relating to boundary waters and questions arising between the United States and Canada as far as they relate to pollution control.

I feel sure that all members will agree this is a tall order. The minister and the deputy minister, who will be responsible for the administration of this department, will be kept more than busy. In view of the many and varied responsibilities heaped upon the minister and the deputy minister by the establishment of this new department of the environment, all members from Atlantic Canada are concerned that the department of fisheries, which is being phased out by this legislation, will become the unwanted stepchild of this new department. This will, of course, be unfortunate, especially in view of the importance of this industry to many important areas of Atlantic Canada where fishing is a way of life, and where the income derived from fishing is the only income available in some regions of economic disparity.

• (4:10 p.m.)

Fishing provides a livelihood for some 68,000 Canadian fishermen and it is estimated that the value of fishery products derived from last year's catch, of which 70 per cent was exported, will amount to approximately $370 million. However, part of this industry is today being threatened by mercury pollution of the seas. Only last week some 30,000 pounds of swordfish landed in Nova Scotia were found to contain mercury to the extent that they were unsaleable for human consumption. This has resulted in the closing down of this industry. In reply to a question I put to the present Minister of Fisheries and Forestry, as reported on page 2941 of *Hansard,* the minister replied:

> Unfortunately, most swordfish caught on the high seas at a considerable distance from Canada contain more than the half part per million of mercury.

He then went on to say that the government would endeavour to do much the same thing as was done for other fisheries in this country, namely, support the incomes of fishermen until they can find work in another segment of the fishery or be retrained for employment in other industries. Mr. Chairman, this is not good enough. Many of our fishermen do not wish to leave a way of life or a vocation which they have followed since childhood. Some are incapable of learning another trade, while others have a lifetime of earnings and savings invested in ships and fishing gear which today cannot be used as a mean of providing for their needs and the needs of their wives and families. I ask the minister and I ask the government: what are these men to do with their ships and with their fishing equipment? Even if they qualify for retraining, who is to pay them for their equipment now made obsolete by the pollution of the seas?

It seems to me that the government has an immediate and urgent responsibility to determine the source of mercury pollution in some species of fish, especially swordfish and tuna. Fortunately, we have a large oceanographic base at Bedford Basin near Halifax, and one of our first priorities should be to undertake an immediate water study in the hope of determining the sources of mercury pollution. As the matter is also of concern to the United States, I feel certain that the American government would be willing, if approached, to co-operate by making its facilities at Woods Hole, Massachusetts, available for a joint water study.

I mention these matters in connection with the clause under review because I wish to make it clear that the deputy minister of the environment will bear vast and varied responsibilities. I have given the committee an outline of some of them, and there are one or two other items I wish to bring to the attention of the committee in order to buttress the motion I intend to move at the conclusion of my remarks.

The Acting Chairman (Mr. Richard): The hon. member has now cleared up the point I had in my mind.

Mr. Crouse: Thank you, Mr. Chairman. As I say, I intend to move an amendment at the conclusion of my remarks.

I referred to the fact that this question might well be of concern to the United States government. As it happens, it is the regulations enforced in the United States which prevent our selling swordfish to that country. I believe 90 per cent of the catch goes to that market. This is something the Minister of Fisheries and Forestry should be doing. He should be working quickly in consultation with the United States to determine the sources of mercury pollution.

It may well be that mercury compounds in anti-fouling paints used on the bottoms of our ships are among the culprits or it may be the methods used in the manufacture of caustic soda by shore installations are adding greater quantities of mercury to our air and water than first realized. I cannot help but wonder if the Minister of Fisheries and Forestry has given any thought to outlawing the present method of producing caustic soda which releases mercury tainted waste. There is another method which might be used but it is more expensive, and industry resists making a costly change-over.

Can anything be done to prevent an increase of these plants? Last spring, when the Lake St. Clair fisheries were closed, there was a great deal of publicity about mercury pollution. One newspaper article mentioned that there were a dozen chlor-alkali plants releasing mercury across Canada, including one shortly to go into operation in Nova Scotia.

Now, in Ontario, they have found that reducing the amount of mercury entering the water has no effect on reducing the mercury level already present. In other words, mercury does not dissipate as does radio-activity. Once it is there, it is there to stay. Notwithstanding this, in the *Globe and Mail* of January 19, 1971, we read:

> Dow Chemical of Canada Limited is still dumping mercury from the Sarnia plant into the St. Clair River and the governments of Canada and Ontario are considering legal action, the U.S. Supreme Court was told yesterday.

This company has now located in Nova Scotia, and I wonder if the process they will use in their chlor-alkali plant will add more mercury to our sea water. Has the

minister investigated this company's plans, and were they approved by his department?

The Acting Chairman (Mr. Richard): I hope the hon. member will soon relate what was to be the background of his argument to clause 4, which has no bearing on specific types of pollution such as mercury content in fish.

Mr. Crouse: That you, Mr. Chairman, but if you will bear with me I am sure you will see my point. As it is at present, the Minister of Fisheries and Forestry and his deputy minister are more than overloaded with responsibilities pertaining to fisheries alone. Clause 4 provides only for the appointment of one deputy minister of the environment. Obviously, if the existing deputy minister is, along with his minister, unable to cope adequately with the problems facing the department, the arrangements we are now asked to make are not adequate. I want to lay the background in support of an argument for a special, separate deputy minister for the fisheries to ensure that the fisheries, along the problems of Canadian fishermen, do not become orphans. These are not problems which can be taken lightly. These are projects we must carry out immediately. The whole chain of our fisheries resources might be threatened if there is delay.

For these reasons and many others I could cite, I firmly believe we should have a separate deputy minister of fisheries. He would be responsible for the continued good health of our fishing industry and would not only look into matters such as mercury pollution but lead the fight for the preservation of the fishing resources on our continental shelf, which today are seriously threatened by overfishing from massive fleets of foreign nations.

The proposed deputy minister of environment has a good reputation for competence arising out of his success as deputy commissioner general of Expo '67. But a resumé of his previous activities makes absolutely no reference to any experience in matters relating to fisheries. This lack of fishing knowledge will not be helpful to our industry or to Canada when we meet with other fishing nations for discussion of our fisheries resources at the next Law of the Sea Conference to be held in 1972. Who will press for a solution to the thorny problems concerning relations between France and Canada as they relate to fishing rights surrounding the French-owned islands of St. Pierre and Miquelon? Since 1964 we have been told these matters are under discussion with the French government, but we have never received a report in this House on the result of those discussions. While this question of fishing rights around these islands is unresolved, we can never fully implement our 1964 Territorial Sea and Fishing Zones Act—our 12-mile limit legislation.

• (4:20 p.m.)

For these reasons, and for many more that I could mention, I want to move the following amendment. One of my colleagues has just asked me what I mean by "these reasons", and I am referring to the reasons I have given, though there are others. The deputy minister of the department of the environment will have conflicting responsibilities. On the one hand, he will be responsible for the purity of our water and our air while, on the other hand, he will be responsible for the development of our renewable resources. However, sometimes the development of our resources brings with it the polluton of our water and our air, so I am just wondering which hat the deputy minister of the environment will be wearing when he is faced with this problem.

I therefore move, seconded by the hon. member for Gander-Twillingate:

That clause 4 of Bill C-207 be amended by adding thereto, next after line 3 on page 2 thereof, the following:

"(2) Notwithstanding subsection (1) the Governor in Council may appoint an officer called the Deputy Minister of Fisheries to hold office during pleasure and to perform all such duties and functions of a deputy head as extend to and include all matters relating to sea coast and inland fisheries."

Mr. Lundrigan: Mr. Chairman, I want to take a few minutes to support the amendment moved by my colleague from South Shore and also to add a few comments in this debate since I have not had the opportunity to take part. I specifically want to address my remarks to the fisheries.

I have absolutely no objecton to the creation of a department of the environment or to any move that will help clean up this young Canadian nation of ours. Perhaps I could suggest that the minister commence a pilot project to keep the most easterly province of Canada completely pollution free as a sort of garden for the rest of Canada, an area where tourists can share the beauties of a relatively unmolested province.

If I may deal with the amendment, I may say that most of the major nations of the world today which are coastal states and have anything to do with fishing are stepping up their fishing activities. I need not tell the minister this because he is only too well aware of it. Just going back over the last two decades we find that a number of nations, including not only coastal states but some of the eastern European nations that are not coastal states, have developed their fisheries to such an extent that Canada's fishing efforts appear miniscule in comparison. For example, two decades ago Russia was almost unheard of as a fishing nation. Countries like West Germany, Poland, Roumania, the Scandinavian countries and the countries in southwest Europe have continued making major efforts to become fishing nations.

The minister of fisheries knows that the marine environment as a renewable resource—I am not referring to mineral resources or to oil, which are non-renewable resources—is one of the great frontiers of Canada, yet in many ways is unexplored and undeveloped. Bill C-207 now before the committee seeks to eliminate the fisheries department. My colleague from South Shore has placed on the record in no uncertain terms the contradiction implied in the government's move to create numerous ministers of state and, on the other hand, to eliminate entirely the department of fisheries. The excuse cannot be used that this is a move to cut down on bureaucracy or to try and create efficiency in government, because in another section of the bill that argument is disproved. If I were to argue that the creation of a deputy minister of

fisheries is sound in terms of managerial and administrative theory, then the minister, who has considerable background experience, might disagree.

It has been proposed over the years that two ministers of fisheries should be appointed. The argument for this is that there is a difference between the fishery of the Atlantic region, eastern Quebec and the Gaspé, on the one hand, and the Pacific coast fishery on the other hand. I think it would be logical for the minister to argue that two ministers, each given equal power within the one department, or each having dual administrative control, would not be sound in theory and in most cases would not work out in practice. The amendment moved by my colleague from South Shore does not suggest this at all; rather, it suggests that over and above the general responsibilities of the minister of the environment there should be appointed a deputy minister responsible for fisheries.

I do not want to go into the detail of this matter. Indeed, perhaps I am not capable, with the knowledge that I have about administrative responsibility, of arguing that there should not be dual control or any areas that have to be well defined, because there might well be in fact. But I do contend that we would be creating a department where the weaknesses of dual control would certainly be minimal.

I suppose the minister of fisheries will argue—I hope that he does get an opportunity to place on the record a more forceful argument than he has to date—that there will be no degradation of effort on the part of the federal government as far as our fishery is concerned. But it seems to me that we are going to be at a considerable disadvantage as far as our national and international fishing efforts are concerned if we do not have at least a deputy minister of fisheries to speak on behalf of our fishermen.

During the last few years there has been a good deal of kerfuffle over the depletion of our resources by foreign nationals. I need not go into the detail of this because all of us are only too aware of it. Members of this party, indeed members on both sides of the House, have supported the need for a great deal more activity in the area of international discussion and bilateral agreement vis-a-vis the fishery, and some of us have been pushing for a conference on marine resources which would place Canada at the same table as many of the nations that are harvesting our resources in waters above our continental shelf so that we might come to some definitive conclusions. But as yet we have not been able to get to that stage, and perhaps this is understandable when the international law of the sea is as complex as it is.

• (4:30 p.m.)

Of course we have a great disadvantage. As I look across the way, I see the Secretary of State for External Affairs sitting in his seat. I have known him as far back as 1953. He has treated the fishing industry very badly and would prefer to eliminate fishing as an industry with any priority at all in the Canadian nation. Very many of the problems the Minister of Fisheries and Forestry has faced in the last couple of years have involved trying to push obstructions out of his way which were placed there by his colleague, the Secretary of State for External Affairs. I have read some of the statements made in the last 12 or 15 years by the Secretary of State for External Affairs and have discovered conclusively that his idea is that fishing should not occupy any position of priority, or perhaps any position at all, in the economic structure of Canada.

This business of environment and pollution has become a major issue in the last few years. Any government worth its salt would have realized the political consequences of siding with motherhood and moving legislatively into the area of environmental control. In that respect, I am not suggesting that legislation is purely and simply a political move, but I must remind the members of the House that ever since we have had a Fisheries Act there has been legislative provision for the government to move in respect of pollution control.

I think I have now gained the attention of the minister for external affairs. Perhaps I had better not count on that because it is obvious his interest in fisheries can be covered in about a two second span.

An hon. Member: There is trouble in Toronto.

Mr. Lundrigan: Yes, perhaps there is trouble in Toronto, but that is the extent of his interest in fisheries.

We have had a Fisheries Act ever since 1867. Down through the years there have been provisions which would allow the federal government to get involved in pollution control. It does us little good to remind ourselves of this because successive governments have never really considered it necessary to use them. I do not refer to this particular government alone, but governments over the last several decades. It was never really an issue because it was felt that in this country, with very few people and a great land mass, pollution would never become a problem. In the last few years, it has become a problem.

Let me point my finger at what I think is a major concern of the thousands of people who earn their livelihood from fishing. I think the Canadian people will realize that by submerging the department of fisheries under the department of environment we are taking away the status that department has enjoyed. No one is going to get up in the House of Commons from now on to talk about fishing.

Some hon. Members: Hear, hear.

Mr. Lundrigan: We have had a dual response, one which indicates that this is a serious matter and another which applauded the possibility that fish will not be on the menu once or twice a week in the House of Commons.

Perhaps there is little we can do about the situation because the Prime Minister has introduced a piece of legislation and it is going to be pushed through. We feel it is a mistake to eliminate the department of fisheries because it will downgrade the fisheries industry in Canada. The department will certainly not have the status it has enjoyed in recent years, and neither will the fishing industry.

I must say that in the last couple of years the fisheries department has gained a great deal of status. I think this is the result of the combined effort of the minister and members on this side of the House who have responded to fisheries issues in an effort to draw more attention to the value of this industry which should occupy one of the top priority positions in the nation. It is unfortunate that members do not realize the value of the fisheries industry to the Canadian economy. They might then realize the tremendous return from investment in the fisheries area, not only to the fishermen but to others located in other than coastal areas.

As the minister has pointed out, this year the United States market has never been better for fish products. In any supermarket across Canada today you will find sections in the meat area specifically set aside for fish products. Anything related to the marine resource is, in fact, a good investment for businessmen and for the government.

We were hoping that the government would give the fisheries industry an important position in the hierarchy of decision making and spending. The minister will perhaps say that he intends to work hard to see that this industry is given a position of priority and prestige. I cannot accept the minister's word for that because of Bill C-207. As a result of its provisions, we will never again hear about fishing in the House of Commons. As hon. members, we will have to ask the minister of environment about fish. Why could the department not be referred to as the department of fisheries and environment?

If I recall correctly, we had a department of fisheries in 1957, and then that department became the Department of Fisheries and Forestry. With the passage of Bill C-207, even that department will no longer exist. I have watched the minister in the last couple of years and I have come to the conclusion that his ambition goes much further than being the minister of fisheries. I think he has wanted the role he will now have with the government. I have read the speeches he has made all across the nation, and I have watched the way he has handled himself in the House of Commons.

I have also watched the Minister of Energy, Mines and Resources eyeing the Minister of Fisheries and Forestry, handle questions on air pollution so well. His background and professional qualifications would indicate that he could do a job in this area. I do not see why the government finds it necessary to eliminate the department of fisheries. I am sure the Secretary of State for External Affairs is delighted by this elimination and probably hopes that the fishing industry becomes non-existent.

This has been one of the major stumbling blocks. The Secretary of State for External Affairs has consistently refused to offer any support in the House of Commons as well as on an international level for Canadian fishermen. The attitude of the government has been wishy-washy, and there is more backbone in a marinated herring than has been shown by the Department of External Affairs down through the years in respect of our fisheries. As far as fisheries are concerned, the minister's statements since 1953 have borne out this fact. Perhaps I might suggest that the minister has a political backbone as solid as a marinated herring. He is not too concerned about the fishing industry. He sits there smiling and laughing. He is pretty jovial about the whole matter. I cannot see him standing up at a conference on the law of the sea and getting very excited about fishing.

An hon. Member: What is there to get excited about?

Mr. Lundrigan: A friend of mine in the Liberal party asks what there is to be excited about.

An hon. Member: They will be there until doomsday.

Mr. Lundrigan: I doubt if the hon. member could tell a cod from a cohoe, but he is the expert on fisheries. A gentleman from the riding of the hon. member for Grand Falls-White Bay-Labrador, when referring to the Secretary of State for External Affairs, said: I do not think you will get anywhere with him because the smell of fish is likely to make him sick. Perhaps that is the attitude of the government. Perhaps the Prime Minister should make a greater effort during his many excursions to promote the fisheries industry in markets abroad. I do not know what would happen if the fishermen of Canada were aware of the attitude of this government toward that particular industry.

Let me ask the Minister of Fisheries and Forestry to give serious consideration to the amendment proposed by the hon. member for South Shore before he resigns as the minister of this department. Some time ago an announcement was made that we would be losing Dr. Needler as deputy minister. I do not think there is a person in Canada who has not learned to respect the ability of this man. In the international sphere, he has gained a reputation as a very knowledgeable expert in this field, and I do not think anyone would disagree with this.

• (4:40 p.m.)

We are to get Mr. Shaw as deputy minister of this new department. I believe he was educated at McGill and born in Montreal or Quebec. He is Canadian. I do not know this gentleman and I would not presume to comment on his capability, but I would doubt very much that he has the all encompassing qualifications to handle a department of the environment which gets involved in anything from effluents from a sawmill to the effects of atomic waste on squids on the Atlantic coast. I cannot imagine that he would be able to sit down before an international commission or convention and talk with any great depth of knowledge on the subject of fisheries. This is an area which is not identical with environment and pollution control, and the minister knows this.

Before this bill was introduced, I was concerned about the fact that we had a minister from British Columbia, who has learned a great deal about the Atlantic fishery, and a deputy minister who was not from the Atlantic region. Consequently, we have no one with specific sensitivity and deep knowledge of the Atlantic fishery. One of our members actually recommended some time ago that we have two deputy ministers of fisheries, one for the Pacific coast and one for the Atlantic coast. I do not

know how sound that would be in the opinion of the minister, but what will happen to us now when we have a minister responsible for the environment as well as a deputy minister responsible for the environment? Will there be anybody in the department at that level who will have the authority, both nationally and internationally, to deal with fisheries policies and programs, with protecting the industry, developing the technology of fishing, marketing skills and transportation techniques, as well as negotiating with the Soviet Union as was done on the west coast in the past year?

The Chairman: Order, please. I regret to interrupt the hon. member. I do so to advise the hon. member that his time has expired.

Mr. Francis: Mr. Chairman, I should like to raise a point of order to inquire whether the amendment before us has been accepted by the Chair. It occurs to me that a question of the expenditure of public funds is involved, and I wonder whether the amendment is in order.

The Chairman: My understanding is that the amendment was accepted by the Chair and that the debate is now on the amendment.

Mr. Barnett: I have been ruminating for the past few minutes on just what the Secretary of State for External Affairs would look like if he were marinated. However, I do not think I will pursue that question.

Mr. Sharp: Perhaps he would be more durable then.

An hon. Member: Anyhow, we only marinate herrings.

Mr. Barnett: On a more serious note, Mr. Chairman, perhaps the amendment which has been proposed to the committee by the hon. member for South Shore may be the answer to the conundrum with which a number of us in this House have been wrestling ever since it became apparent that the proposal for the establishment of the department of environment would involve the merging into that department of the Department of Fisheries and Forestry. Those of us who participated in the discussions last session on the amendments to the Fisheries Act had it impressed upon us very firmly, as a result of evidence and debate, that undoubtedly the Fisheries Act stood in the front line of the defence of water quality across Canada. So, I think there is undoubtedly much virtue in the idea of establishing a department where policies in respect of water quality and fisheries are co-ordinated. It is apparent that this is part and parcel of the proposal in this part of the bill which involves the setting up of a department of environment.

The question that has very obviously been of concern to some members from the Atlantic coast who represent many commercial fishermen, and some of us from the Pacific coast who also represent areas where the commercial fisheries are very important, is the apparent dissolution of the Department of Fisheries and Forestry, or what might be construed as a downgrading of it. I think many commercial fishermen have, quite rightly, been fearful that in the process of setting up this new department with much broader responsibilities under the minister who has been the Minister of Fisheries and Forestry, less attention, less money and less effort will be given to the commercial fisheries. So, I think the proposal put forward by the hon. member for South Shore may be in part at least, the answer to the problem.

As I understand the functioning of a department, the primary responsibility at the policy level rests with the minister who, together with his colleagues in the cabinet makes determinations of policy directions. I would agree that in the areas which are under discussion, particularly those relating to fisheries and water—leaving aside for a moment the sections of the bill which deal with air and soil quality—close co-ordination at the policy level by a minister who is prepared to evolve a policy for the protection of the over-all environment, can very well be tied in with creating the necessary circumstances for the growth and survival of fish. However, if my understanding is correct, the main function of the deputy head of a department is that of administration. I would be prepared to argue that the administration of a department involved with the commercial fisheries is certainly important enough to warrant the full time of a deputy minister.

Our present department is called the Department of Fisheries and Forestry, and we had no quarrel with the concept of adding to the department of fisheries the federal responsibility in the area of forestry. I think members of the committee will recognize when we are talking about fisheries and forestry we are really talking about—I was going to say—two different kettles of fish so far as the operations of the federal government are concerned. As has often been said, the primary jurisdiction constitutionally over forestry and forestry resources of Canada, their harvesting and development, rests with the provincial governments. However with regard to fisheries federal jurisdiction over seacoast and inland fisheries is firmly embedded in the BNA Act. So, in this particular area we exercise a jurisdiction over the management and the well-being of this resource industry that is parallel to the powers exercised by the provinces in relation to forestry.

• (4:50 p.m.)

Essentially, what happened was that we played an ancillary role in respect of the forest industry in Canada by undertaking research programs, and programs leading towards fire protection, protection from disease and that sort of thing. In addition, of course, the federal government agreed to co-operate with the provinces in the development of an inventory. But, Mr. Chairman, those are very different kinds of responsibilities administratively than administering the very far flung commercial fisheries of Canada which involve three oceans in addition to the vast inland waters that we have in this country. So, I think a very logical argument can be developed for the proposition that, even if we were having a unified ministry, there should be two deputy heads.

The hon. member who preceded me made some reference to the apparent lack of interest of the Department of External Affairs in fishing matters. I am not sure I

agree with all of his observations in detail, but for a period of years I have felt that our Department of External Affairs regards the increasingly important international questions involved in the survival of our commercial fisheries as very peripheral matters so far as the foreign policy of Canada is concerned. This may perhaps be another good reason why we should have at least a deputy minister of fisheries who, from time to time, can deal as a co-equal with his opposite number in the Department of External Affairs. I think even the unmarinated Secretary of State for External Affairs would agree that there is a need for very close co-operation on the matter of fisheries. I hope he will more and more agree that his department should be a very important arm of what, up to now, has been called our department of fisheries if we are to maintain this resource, and if it is going to be worth while putting federal money into helping develop this resource.

I would like to point out to the committee that this proposition of having two deputy heads within a single department is not an unprecedented proposal. In fact, at the present time we have two deputy heads within the Department of National Health and Welfare, one with responsibility for the administration of health matters and the other with responsibility for welfare matters. Over a period of a great many years in the Department of National Revenue there were two deputy heads, a deputy minister for customs and excise, and a deputy minister of taxation, performing pretty well defined functions but under the general policy jurisdiction of a single minister. I have not heard that this created any insuperable problems in that department.

So, I suggest that this proposal which has been placed before us has merit. Certainly, it is worthy of very serious consideration. Undoubtedly, there will be overlapping of areas of responsibility in some respects. Such bodies, for example, as the Fisheries Research Board undoubtedly would be providing expertise which would flow through both the deputy head of the environment and the deputy head of fisheries. Nevertheless, as I see it, the responsibility of the minister for the commercial fisheries of Canada is pretty clear, distinct and well defined, and necessitates a full-time deputy head.

As has been so often stated, there has been argument among fishermen, and even in this House, that we really need two ministers of fisheries, one for the Atlantic coast and one for the Pacific coast. I have never accepted that proposition. When it has been suggested to me by fishermen on the west coast, I have tried to point out that it could lead to differences in policy matters and I do not think we want this. But undoubtedly there is a need for differences in administration regionally as between the Atlantic coast and the Pacific coast, and there is also a need for co-ordination of administraton, which of course must take place at the headquarters of a department.

So, Mr. Chairman, I would ask hon. members of the committee, including those who occupy positions on the treasury benches, to give serious consideration to the amendment that has been proposed. I think it may go a long way toward satisfying the real and legitimate concern that commercial fishermen across Canada will have at the apparent disappearance of fisheries as a separate ministry within the operations of the federal government.

The Chairman: Is the committee ready for the question?

Mr. Barnett: Mr. Chairman, I believe it is five o'clock.

The Chairman: It being five o'clock, it is my duty, pursuant to Standing Order, to rise and report progress.

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Regina-Lake Centre (Mr. Benjamin): Grain—Sharing by government of cost of storage; the hon. member for Halifax-East Hants (Mr. McCleave): Agriculture—Inquiry as to continuation of feed grain freight assistance; the hon. member for Comox-Alberni (Mr. Barnett): Indian Affairs—Alberta—Establishment of facility in dinosaur area.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, private bills, notices of motions (papers), and public bills. Since there are no private bills, the House will proceed directly to notices of motions (papers).

• (5:00 p.m.)

PRIVATE MEMBERS' MOTIONS FOR PAPERS

WELFARE

REQUEST FOR COPY OF REPORT REGARDING INFORMATION MEDIA RELATIVE TO WAR ON POVERTY

Mr. John L. Skoberg (Moose Jaw) moved:

That an Order of the House do issue for a copy of the consultant report by Heward, Newman and Associates and Julian, Hebert and Associates, Montreal, regarding information media relative to the war on poverty undertaken in the year 1967-68, for the Privy Council Office, as mentioned in answer to Question Number 1,323 of the 1st Session of this Parliament.

He said: Mr. Speaker, on January 14, 1970, I brought forward motion No. 212, standing in my name on the Order Paper. That motion is the subject matter of the present debate. The parliamentary secretary answering for the government at that time said the report requested was intended for use only by government officials and was not in a form suitable for other than internal use. The firms acted collectively as a staff extension of the special planning secretariat, supplying an expertise that was not available internally at that time. He asked whether, for those reasons, I would agree to withdraw the motion.

I think that when we talk about the war on poverty we must know what the government is attempting to do. It ought to tell members of the House what its plans are for dealing with this situation. In my opinion, it is not good enough for those plans to be used for the internal purposes of the department only. If members of the House are to debate intelligently the proposed actions of the government, they ought to have access to that information obtained as a result of research by experts. That information is available to the government and to the department concerned, but has not been given to the House of Commons. Even though the information may be in a form that is suitable only for internal use, as is the case here, I think that the government ought to make such information available to the members of this House in an abbreviated form. Perhaps the information could be provided in such a way as to enable hon. members to know where the government is going.

Unfortunately, it appears that the government is using the war on poverty as an excuse for saying that this information cannot be divulged. We know that poverty is no longer merely of domestic concern. It is a national disgrace. Every member of the House, I submit, thinks that something must be done to cure poverty, and the research undertaken in this area, research going back over the years, ought to be made available to the House in order that hon. members may have a concrete idea of what is being done to eradicate poverty. The House of Commons and the people of this country are under an obligation to eradicate poverty in this country.

We know that once poverty takes root in a certain area or in a certain group, it completely destroys the fibre of that part of our society. If unchecked, it will destroy the fibre of our society and of our nation in the long run. I need not cite examples of poverty in any particular area of the country but we know that once grinding poverty sets in, hopeless despair is the result. As a result of that despair, the people affected by poverty will act; they will try to destroy that which brought about their poverty. I hope that we can prevent, in future, the sort of destruction we have witnessed in the past. The government and society must act to prevent this type of destruction. We can only prevent it if we are serious about fighting the war on poverty and if we consider the problem of poverty in its entirety.

Some are aware, I am sure, that the people of the middle classes would like to close their eyes to the war on poverty. They consider that policies such as urban renewal are sufficient for dealing with poverty. Our middle classes think as "haves" and they would like to think they are unaffected by the real problems of the "have nots". While this attitude persists, I submit that it will take a long time to bring about any changes in the conditions of the poor in our society. If we are to fight the war against poverty effectively, we must revolutionize our thinking in connection with such matters as pollution and unemployment, as well as many others which have been mentioned in the House of Commons. In this country we must bring about an employment ratio that will permit us to do away with poverty. We must be able to create conditions in which everybody will be entitled to a job opportunity.

If we are truly concerned about poverty, we must train and retrain more people. Members of this House must examine government programs relating to urban and rural poverty. May I, at this time, refer to a question I directed in the House yesterday to the Minister of Agriculture (Mr. Olson). It related to policies upon which the government is embarked. I said, as reported at page 3033 of *Hansard*:

> In view of the continuing and real threat to the existence of small and medium-sized farm units, is the Minister of Agriculture prepared to tell the House whether his study to encourage the adjustment of farm units to a more efficient size has taken into consideration the importance of the preservation of the family farm?

Unfortunately, that question was not allowed. I asked that question because many thousands of family farms are disappearing today. The people from those farms are being driven into large, urban centres, and they will swell the numbers of our urban poor. The migration of these people to our cities will create real difficulties. They are not trained for any particular occupations to be found in large urban centres, and there are no jobs for them. Clearly, we ought to be concerned about the rural poor. Our present system, under which we move the rural poor to our cities, will create difficulties that are graver than this government may realize. It appears that there is a concentrated effort to put more farmland into the hands of large corporations and a result, there will be less and less employment on the land.

We know very well that many people in the country have voiced a wish to bring about some type of change. May I refer to what the Canadian Welfare Council has said? Mr. Reuben C. Baetz, executive director of the Council, has said the following:

> If the just society is ever going to be anything more than a meaningless and flimsy abstraction, it must be based on certain tangible, fundamental rights, including social as well as civil and political rights. Among social rights, no right is more important than that of an adequate income. We should build this socioeconomic goal into our value system now. The method of administering the guaranteed income can be worked out later. If necessary, it can be introduced in stages.

There are various ways of looking at the whole question of poverty. Nevertheless, it was my hope that the government would make available the information asked for in the motion, in order that we might know what the government's thinking is. That way we could either subscribe to its actions, challenge them or critize them constructively, and the entire nation would benefit. So far the government has refused to divulge this information which, I submit, is necessary for the House of Commons to have.

Our party believes that the welfare of all depends on the well being of each one of us, and that every man is entitled to a basic share of the nation's goods and services, regardless of his power in the marketplace. We also know that we shall have to create a type of system in which there will be fairer sharing and in which everyone will be able to live above the poverty line. It is

necessary to bring about an increase in the personal disposable income for those Canadians living in poverty. We know of various ways and means that this can be brought about. If we are really concerned about the war on poverty, we must bring about a guaranteed minimum income. We must do this now, not tomorrow. It is too late to say that we should continue in the present manner and that we are not interested in a guaranteed minimum income.

• (5:10 p.m.)

There must also be an increase in public services in communities where people live in poverty. There must be increased investment, employment and economic growth in regions of poverty. This, too, must be done now, not tomorrow. I am pleased to note that the government is moving in the direction of providing some self-determination in certain programs. There must be an organized program to promote self realization and self determination for individuals, communities and regions. The government has recently announced projects for a number of areas in Canada to enable residents to develop effective citizens' organizations through which they can identify and solve local problems and needs. The most important part of any program is that those directly affected should be a part of it, since they are the ones who must be assisted in the long run.

I have noticed that when an announcement is made, a government member always announces the program for his particular constituency. I presume the same opportunity will be given to opposition members if and when announcements are to be made that affect their constituencies. If we are to be consistent in our war on poverty, we must make funds available for the poor. It is not good enough to do only little things as this will not solve the problem. At the present time 20 per cent of all Canadians live in conditions of poverty and another 20 per cent live on the verge of poverty. This is not good.

I urge the government to make available the information which is being provided by research directors. Many hundreds of consultants are preparing reports for the government. We do not want the type of information that is contained in confidential memos to departments concerning specific individuals. However, we do want information on research projects being carried out for the government. In this way, we will have information about policies. With that type of approach, we would have a far better government and Parliament. Canadians would, as a result be better educated. If the government made available the papers for which we ask, the Canadian public would know what is going on and would not engage in the revolution and destruction that has been experienced in the past.

I urge the government to give serious consideration to adopting an amended policy and tell us they will supply some information requested in this order for return.

Mr. Deputy Speaker: Is the House ready for the question? All those in favour of the motion will please say yea.

[Mr. Skoberg.]

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the motion (Mr. Skoberg) which was negatived on the following division:

• (5:30 p.m.)

YEAS

Messrs:

Alexander
Barnett
Bell
Benjamin
Brewin
Burton
Comeau
Crouse
Danforth
Dinsdale
Douglas (Nanaimo-Cowichan-The Islands)
Fairweather
Forrestall
Gauthier
Gilbert
Godin
Harding
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Laprise
Latulippe
Lundrigan
MacDonald (Egmont)
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
MacRae
McCleave
McIntosh
McKinley
Marshall
Mather
Muir
Murta
Nesbitt
Peddle
Ritchie
Rodrigue
Rondeau
Rowland
Scott
Skoberg
Stanfield
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Woolliams—49.

NAYS

Messrs:

Allmand
Andras
Badanai
Basford
Benson
Blair
Borrie
Boulanger
Brown
Caccia
Cafik
Chappell
Chrétien
Clermont
Corbin
Côté (Longueuil)
Cullen
Danson
Davis
Deachman
Deakon
Drury
Dubé
Dupras
Forget
Foster
Francis
Gendron
Gibson
Gillespie
Givens
Goyer
Gray
Groos
Guay (St. Boniface)
Hellyer
Hogarth
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jerome
Lachance
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Lefebvre

Messrs:

Legault	Richard
Lessard (LaSalle)	Richardson
Loiselle	Roberts
MacGuigan	Robinson
McBride	Rochon
McNulty	Rock
Mahoney	Roy (Timmins)
Major	Serré
Marceau	Sharp
Marchand (Langelier)	Smerchanski
Marchand (Kamloops-Cariboo)	Smith (Northumberland-Miramichi)
Morison	Stafford
Munro	Stanbury
Olson	St. Pierre
Osler	Sulatycky
Otto	Trudeau
Ouellet	Turner (London East)
Pelletier	Turner (Ottawa-Carleton)
Penner	Walker
Pepin	Whelan
Perrault	Whicher
Prud'homme	Whiting—92.
Reid	

• (5:40 p.m.)

Mr. Speaker: I declare the motion lost.

Mr. Knowles (Winnipeg North Centre): May we call it six o'clock?

Mr. Jerome: Mr. Speaker, perhaps we should call it six o'clock.

Mr. MacLean: Mr. Speaker, I suggest there is general disposition to call it six o'clock.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

At 5.45 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

PRIVILEGE

MR. TURNER (OTTAWA-CARLETON)—RETURN OF FINGERPRINTS OF PERSONS RELEASED WITHOUT CHARGE—CORRECTION OF ANSWER

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I rise at the earliest opportunity on a question of privilege to correct a statement I made in the House. Yesterday I said in answer to a question put to me by the hon. member for Egmont (Mr. MacDonald) that I had been informed by the RCMP that all fingerprints of those arrested but not charged under the regulations of the War Measures Act or under the Public Order (Temporary Measures) Act had been returned.

By this I meant, as I explained today to the hon. member for Fundy-Royal (Mr. Fairweather) that I understood they had been returned to the police forces which had originally taken the prints. I learned a few hours ago that in fact the prints had not yet been sent by the RCMP to the police forces concerned, although they were ready for dispatch. I have been informed that the prints have now been sent to Montreal to be delivered to the appropriate police forces. I have already so informed the hon. member for Fundy-Royal. I apologize for inadvertently misleading the House.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Knowing the minister as we do, of course we all expected no less of him. Also, I want to record my thanks to him for letting me know that he was going to raise this question of privilege.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES ETC.

The House resumed consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Drury (for the Prime Minister)—Mr. Richard in the chair.

The Acting Chairman (Mr. Richard): When the committee rose at 5 p.m. it was considering an amendment to clause 4 of the bill.

On clause 4—*Deputy minister.*

Mr. Olson: I rise on a point of order, Mr. Chairman. I wonder if I may be permitted to raise the matter of the propriety of this amendment to clause 4 of the bill now before the committee. I do not wish to raise—

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, on a point of order—

Mr. Olson: I have already raised a point of order. I am not sure the hon. member can raise a point of order at the same time.

Mr. Knowles (Winnipeg North Centre): I do not see what right the minister has to raise a point of order on this amendment.

Mr. Olson: Perhaps the hon. member should hear it.

Mr. Knowles (Winnipeg North Centre): I rise on a question of privilege, Mr. Chairman. The minister cannot debate a ruling that has been accepted.

The Acting Chairman (Mr. Richard): Before the Minister of Agriculture speaks I assume that he is raising a point of order on the validity of the amendment proposed

by the hon. member for South Shore. If this is so, I will not consider further representations because there has been a ruling by the Chair which was not challenged. Therefore, the amendment stands.

Mr. Olson: With great respect, an examination of the "blues" has been made and a question was raised as to the propriety of the amendment moved by the hon. member for South Shore which would, in fact, increase the charge on the public purse. If Your Honour has finally decided that you will not entertain further representations with respect to the intervention that was made, then of course I understand the situation. But in my view we would be setting a very important precedent if indeed that judgment stood.

The Acting Chairman (Mr. Richard): I am afraid that in this case the ruling must stand.

Mr. Comeau: Mr. Chairman, the amendment to clause 4 which we are now discussing deals with the appointment of a deputy minister in charge of fisheries. As was pointed out by the hon. member for South Shore, the reason for the amendment is very simple, namely, we feel that the new department of the environment will be taking over the responsibilities of the Department of Fisheries plus new, added responsibilities. That is why we proposed this amendment and that is why we support it. It is essential that the Department of Fisheries be maintained as a definite entity within the new department.

I contend, as I have before—I do not intend to speak too long on this matter—that the minister will have more than he can handle as minister of the environment. This is why we from the Atlantic provinces proposed the amendment. We want to make sure that the problems of the fishermen will receive attention. The minister knows that I applauded him whenever he introduced programs that were worth-while to fishermen, and that I was critical of him when he introduced programs that I thought were detrimental to the interests of fishermen, or that at least were not in accordance with my ideas. Therefore, he knows that it is not out of criticism of him that I support this amendment.

• (8:10 p.m.)

We know that the minister is from the west coast and that he is very much interested in pollution matters. Having been in charge of fisheries and forestry for the past 2½ years, he is probably looking for a new challenge; therefore, I suspect he will be paying a lot more attention to environmental matters than to fisheries. Let there be no mistake, Mr. Chairman: none of us is opposed to the establishment of a department of the environment, but we believe there should be a deputy minister responsible for fisheries as well as a deputy minister responsible for forestry and for pollution in general. Therefore, I say the amendment is a valid one. Its validity is not in question at the moment; it has been accepted and we are debating it. We know that the minister and his parliamentary secretary will want to accept this amendment. His parliamentary secretary shakes his head in disagreement.

[The Acting Chairman (Mr. Richard).]

Mr. Corbin: I have confidence in the minister.

Mr. Comeau: So have I; but I want to make sure that a Deputy Minister of Fisheries will be appointed, and if I dared to go further than the terms of the amendment I would ask that he be from the east coast. Although the parliamentary secretary comes from the east coast, he does not represent a real fishing area. Therefore I say the proposed deputy minister should come from the Atlantic region.

The minister will have added responsibilities in the new department. Many problems connected with the fisheries remain unanswered and I do not believe they will receive full attention when the new department is established. The minister and the parliamentary secretary may argue that the appointment of another parliamentary secretary responsible for fisheries would help, and that they will have a parliamentary secretary in charge of fisheries and a parliamentary secretary responsible for environmental affairs. I do not consider that adequate.

As I have said, there are many fisheries problems that have not yet been solved. There are problems in connection with the 12-mile limit. Not long before Christmas the minister ordered the closing of certain bays to foreign fishermen, including the Bay of Fundy, the Gulf of St. Lawrence and certain bays on the coast of British Columbia. But that is not sufficient, Mr. Chairman; it does not fully meet the interests of the fishermen. This closure does not include one of the great herring spawning areas of the Atlantic region around Trinity Ledge; it is not protected from foreign fishermen.

This morning's newspapers record another complaint concernings the lobster season. Some of the fishermen are not satisfied. They have made dozens of representations with respect to the lobster season, particularly in District 4. A deputy minister in charge of fisheries would be able to pay more attention to such things than a general deputy minister in charge of many matters. There is another problem connected with the fisheries that has not been fully solved and which is becoming more serious as time passes. Last May the minister announced a program of assistance for the construction of fishing boats but to date the regulations affecting boats of 75-feet and over have not been promulgated. I know that they have to be made in co-operation with the Department of Industry, Trade and Commerce, but the delay is becoming longer and longer.

If the amendment proposed by the hon. member for South Shore is accepted, a deputy minister of fisheries would be able to tackle some of these problems. I know the minister is a good listener, as is his parliamentary secretary. I know that when they have heard all the arguments they will wish to accept the amendment. I repeat that fisheries must remain an entity within the new department and that there is a relationship between fisheries and the environment. Recently a question was raised concerning both. The Department of Fisheries has banned swordfishing on the east coast because of mercury pollution, and the fishermen involved will have to engage in some other activity at least for a while. I ask, what is to be done for them? It is a very important fishery on the Atlantic coast and also on the west coast.

These fishermen will have to devote their energies to other ventures. The Department of Fisheries ought to suggest what the fishermen should do next.

• (8:20 p.m.)

Unquestionably, mercury pollution affects our environment; there is no question about that. Nevertheless, these fishermen must enter another field of the fishery. They can only do that if their interests are taken into account. Someone in the Department of Fisheries must say to these people, "You can fish for scallops or go into another field, but there are limitations in certain areas." For those reasons there must be a deputy minister in charge of fisheries. As I say, there are too many questions still unanswered. Once the new department is set up and once the minister is given these added responsibilities, it is less likely that we shall obtain the answers to some of our questions. The Department of Fisheries is much too important merely to be amalgamated into the conglomeration which is being set up. The minister is to take over some of the responsibilities of the Minister of Energy, Mines and Resources, the Minister of National Health and Welfare and, in addition, some of the responsibilities of other departments. Therefore, too much will be left to one deputy minister who must also deal with fisheries. I submit, therefore, that a deputy minister in charge of fisheries should be appointed.

The minister is most enthusiastic about pollution control. I expect almost everyone here is enthusiastic about pollution control. At the same time, a proper balance must be struck and we must consider the interests of our fisheries. I said that many problems have been left unanswered. I was referring to fisheries regulations, to matters such as the lobster season and the 12-mile limit. There is also a problem with regard to fishermen who catch swordfish. Are they to engage in another part of the fishery? What is to become of these fishermen? I hope the minister will make a statement shortly about the mercury content of swordfish, for example. I hope his statement will be to the effect that the consumer need not be scared and that all fish are not contaminated. I know he has already said something along these lines.

What would happen if the consumer who will not eat swordfish suddenly were to say, "I am not going to eat scallops or lobster either"? That situation must be avoided and the minister must make a positive statement to allay fears. I am sure he will do that in due course. Many problems have not yet been solved in this field. With the additional responsibilities the minister is to assume, they will receive less attention. For that reason I say this amendment is a good one and should be accepted.

Mr. Harding: Mr. Chairman, I rise to speak briefly on the amendment before the House. I speak in support of the amendment. I submit that the amendment is simple yet it is essential. I do not understand why the government should not accept the idea that since we are now setting up a new department of the environment which will encompass the Department of Fisheries and Forestry and, in addition, assume responsibilities in the field of the environment, there should be appointed two deputy ministers each of whom should have clear and distinct duties. That is what the amendment seeks to do and I think it is an excellent idea.

It seems to me, Mr. Chairman, that it is plain common sense to remember that if you are going to enlarge the activities of a department and one man is to be given responsibility for the enlarged department, he will be able to give less time to the fisheries and forestry responsibilities of the department. I think we are making a mistake in not keeping the responsibilities relating to the environment clear and separate from all other responsibilities of the department. If that is not done, we shall find ourselves in a position we have been in so often. We will find, on the one hand, that the deputy minister of the department will be in charge of fisheries and forestry, resources which are exploited, and economic interests will be involved; but on the other hand we will find that the same minister must sit down and try to talk out of both sides of his mouth. Out of one side of his mouth he will say, "We will do this." Then from the other side of his mouth he will say, "No, nothing doing. We must hold the reins in because what is proposed will affect the environment; therefore, we shall have to clamp down on the type of development proposed." That would not make any sense.

An hon. Member: There would be a conflict of interest.

Mr. Harding: There would be a clear conflict of interest and without doubt we would get into trouble if the department were set up that way. Since we are setting up this department now, let us do it properly: let us have two deputy ministers. Other departments of government have two deputy ministers. In the Department of National Health and Welfare a deputy minister is in charge of one part of the department and another deputy minister is in charge of another part. All we are asking is that one deputy minister be appointed to be responsible for fisheries and forestry and that another be appointed to take charge of the environmental responsibilities of the department. To me, that makes sense.

May I point out again that once you create a conflict of interest you will not be able to do the sort of job that ought to be done with respect to the fisheries responsibilities of the department or with respect to the environmental responsibilities. I think that is clear. The Science Council of Canada in its last report indicated to the government what ought to be done so far as fisheries are concerned. That body asked for a vast increase in the number of research projects on the east coast, the west coast and inland waters. It told the government that we need to have at our disposal vastly increased information in certain fields.

Also, the Science Council told the government that we are not assessing to the full the potential of our fisheries in all parts of the nation. This indicates to me, Mr. Chairman, that the fisheries responsibilities of the department ought to be expanded, especially so far as research and allied activities are concerned. It seems to me, however, that we are to load the responsibilities of a brand new department on top of the responsibilities of the existing department, and therefore we shall not obtain satisfactory results in all areas.

I will not go into all the details which have been covered by previous speakers. I reiterate that this is a sound and sensible amendment. I hope that this Liberal government for once in its life will accept one of the recommendations of the opposition and appoint two deputy ministers of the department. That would increase the department's efficiency; it would be good for Canada and good for both the fisheries and the environmental branches of the department. We need this deputy minister, so let us adopt the amendment.

• (8:30 p.m.)

[*Translation*]

Mr. Laprise: Mr. Chairman, I have a few comments to make on the amendment of the hon. member for South Shore (Mr. Crouse) to Clause 4 of Bill C-207 which provides for the appointment of a second deputy minister who would be exclusively responsible for fishery legislation.

In Schedule A of Bill C-207, we note there are 19 acts relating to fisheries, 16 of which directly concern water utilization and fisheries.

Mr. Chairman, at first sight it would seem that the area of fisheries has been neglected in the new department of environment. However, those 16 acts on fisheries already exist and there is also a Department of Fisheries and Forestry that is responsible for their administration.

I greatly hesitate to support the amendment of the member for South Shore, because it tends to multiply more and more important positions in the government administration. It often happens that deputy ministers have more authority than ministers themselves. In the first place, they receive a higher salary and they seem to have better control over the officials around them than ministers do.

Mr. Chairman, the members and a large segment of the population—especially fishermen—are concerned by the result of the report which has just been communicated to us and according to which tuna and swordfish fishing is greatly compromised due to the mercury pollution of sea-water.

Nothing prevents the Canadian government from asking American authorities to fight mercury pollution. However, it has occurred. With a deputy minister directly responsible for the enforcement of fishery legislation, I wonder whether there would be an increase in efficiency.

Even if the bill does not provide for the appointment of a second deputy minister who would be responsible for the enforcement of fishery legislation, the minister still has the authority needed to appoint all the officials required to handle environmental affairs and water pollution matters. These officials will look after the implementation of fishery legislation designed to protect not just the fishermen from the Maritimes but also the fishermen from British Columbia and the Canadian consumers.

Although we live in central Canada, we are very concerned by the Canadian fishermen's activities because we are aware that if they cannot sail for the high seas to catch the swordfish, this will be reflected in higher consumer prices not only for swordfish, but also for other species of fish and sea products.

I am not at all sure that it will be necessary to appoint a second deputy minister to the Department of the Environment. I believe that we should rather give the present minister more power over his officials and provide the latter with the required freedom to wage war against pollution and implement the existing laws.

[*English*]

The Acting Chairman (Mr. Richard): The hon. member for Halifax—

Mr. Forrestall: With all deference to Your Honour, I used to be the junior member for Halifax. While I love that part of Canada, I have no connection with it, although I happen to like the military people there. That area is represented by the leader of my party and the hon. member for Halifax-East Hants. My constituency is in the greatest part of Canada, Dartmouth-Halifax East. If Your Honour does not think there is a significant difference, I extend an invitation to you to visit the eastern shore of Nova Scotia.

Mr. Comeau: At Christmas.

Mr. Forrestall: I do not particularly want to invite Your Honour at Christmas; it would be better to visit in the spring, summer or fall when the countryside is delightful.

I wish to make a few comments in support of the amendment now before us. I do not represent a large segment of the fishing community but I do represent a typical and very significant part of the total fishing industry on the Atlantic coast. There are hundreds of full-time inshore or groundfishermen. The families of fishermen I represent have fished for generations. Their fathers and grandfathers were fishermen as well as their sons and grandsons. They have all fished off the eastern shore of Nova Scotia. These people have pride in their way of life and ability to provide for their families. These things cannot be dealt with lightly. Their support of this traditional way of life has been characteristic of the support that has built Canada in a maritime sense.

The fact that this bill will deprive them of the right to recognition within the bounds of ministerial or governmental prerogative is not important. What is important is that if they are deprived of the identification of their way of life, this will be very harmful. I could speak meaningfully about fishermen from Ecum Secum to Halifax and from Halifax to Hubbards. However, this has already been eminently done by the hon. member for South Western Nova and the mover of this amendment. I support their views and concern. I simply echo the concern of those who live in Dartmouth and along the eastern shore of Nova Scotia.

• (8:40 p.m.)

What I wanted to do, because it is appropriate to the bill albeit a little out of context but still very important with respect to the development of this new department

of the environment, was talk to the minister for a moment or two about the way in which he ought to approach the question of information about his department. If I go a little outside the scope of the amendment I can quickly bring myself back within its terms, Mr. Chairman, and I know you will remind me if necessary. In recent months we have heard a good deal about information arrangements. I relate this in no small way to the role of information regarding the omnibus bill which is before us, because it is important in that sense if not in the total sense. Perhaps before we vote on the amendment tonight and move to the next clause, the minister will express his views on the subject and answer some questions I have in mind.

I wonder whether with respect to information the minister has considered instituting his own system. Will the new department have its own resources in dollars and cents and professional expertise to build up its own data system, experts who will be able to identify, through his policy directions, his needs in terms of the acceptability to the department of the environment of information from other sources? Or will he develop his own source in response to the need for bringing to him the type of information which would satisfy his requirements? I wonder if he intends to do anything about the storage of such data. I wonder if he will do anything about retrieving it as required. I wonder what he intends to do about computerizing it. I wonder what he intends to do about analysing it.

Mr. Davis: What has this to do with the amendment?

Mr. Forrestall: I am talking about a deputy minister, the man through whom the minister must translate into practical working arrangements his own particular views. I can do this in half an hour or it can be done now, but one way or another you will get a little lecture from the junior member for Halifax about careful planning. I will bring it within the scope of the debate by indicating the necessity for a deputy minister. I do not think it is in character for the minister to be smart or impertinent. He has had a bad week or ten days. What hon. members opposite do not need in this chamber tonight, what the minister does not need, are enemies, particularly as he goes ahead with the work in front of him.

I wonder how he would go about creating the type of staff which will analyse this information, in the sense that it will be useful to him and to the people who are directly affected, in this case the fisheries; but not only fisheries, the total environmental program. The problem which occurs to me is that data collected by non-users of the data is very often of little practical relevance to those who are forced to use it. Put it in another sense and relate it to the deputy minister. The expenditure of public funds must be justified, with the result that the broad data collected is not forced down the minister's throat with respect to fisheries, or any other program in which he is involved, by somebody who has collected the information and finds he has to justify it because it involves the expenditure of public moneys. This is particularly true when the collectors of the data which must find its way to the minister are people who have no concern for the area in question.

If the program is to be successful it must be geared to the requirements of the minister. One of these requirements is fisheries. A broader requirement is the environment, the concept of the world we live in. I ask again to keep this information relevant. How is the information with respect to fisheries to be placed in front of the minister? In what form is it to be placed in front of the minister, unless there is a knowledgeable and acceptable deputy minister in charge of fisheries?

If the program is to be expanded, the department must have its own source of professional expertise. It must not be the result of random information passed to the minister in a form that neither he nor his department are capable of understanding or applying. He must have around him that area of expertise which is intelligible in the area of immediate concern. If he does not, the program will fail simply because he will be at the mercy of collectors of information, not users of information. The minister should be the user of the information.

The Chairman: Order, please. I have been listening to the hon. member carefully. I think he has tried very skilfully to keep his observations relevant. At the same time, the matter the committee is now considering is, very briefly, whether there should be appointed an official called a deputy minister. Perhaps the remarks of the hon. member would apply more when clause 6 of the bill is under consideration. I mention this in the hope that the hon. member will come back to order.

Mr. Forrestall: I am afraid you will have to rule me out of order, Mr. Chairman. The point I am trying to make is that there is a necessity for a deputy minister in this department with responsibility for fisheries. How will information be transmitted to the minister from somebody about whom we know nothing? You are right, Mr. Chairman. I am not only talking about the Department of Fisheries and the necessity for a deputy minister; I am talking about something I believe to be very revelant. If Your Honour orders me to sit down, I will, and I will speak again on a later clause. But I make the point that unless the minister gathers around him the expertise to determine what his requirements are, the legislation will fail.

• (8:50 p.m.)

I do not want this legislation to fail simply because we have been shortsighted, narrow minded or concerned with other matters. The role of the fisheries in this country is a very important one. If those who are somewhat removed from salt water are not aware of this, then I suggest they become aware of it. The economy of this country has been built in no small way upon the efforts of those who go out in small and in large boats to reap the harvest of the oceans. If the hooter from Hamilton questions that, I suggest he goes east some time, goes out in a dory and finds out what life is all about.

I think the presence in the chamber of so many members on the other side is indicative that we are going to have a vote. I should like to know how many members opposite have spoken on this bill. Let the former mayor of Toronto tell us how he feels about it, or the great oil

man from Calgary. Let them talk to the fishermen and the unemployed of Canada. They do not even listen once in a while to those who express concern for the fishing industry of Canada, and this the fishermen in my part of the country find difficult to understand. This situation is symptomatic of the approach of hon. members opposite. What we need, instead of all the tired debate we are having on this bill, is a statement by the minister on how he will determine what information he needs to cover the broad spectrum of his responsibilities, including the necessity for having a deputy minister of fisheries. I hardly think that such a statement would be irrelevant to the debate.

The point I am trying to make was put much better than I can put it in a recent address to an international symposium held in Ottawa. Mr. R. F. Tomlinson, chairman of the symposium, in his opening address to the International Geographical Union Commission on Geographical Data Sensing and Processing made the following pertinent observation in regard to the value of making the proper use of information:

> The environment is enormous; there will be too much environmental information available even with the use of current capabilities for data gathering in the next ten years, let alone the next one hundred years, for it to be handled efficiently and economically. The need, then, is to be selective about the data which will serve as a basis for the decision making process. For this reason, the data required must be chosen by the agencies responsible for their use, and not, as at present, by the agencies responsible for their collection.

This is the point I am trying to make to the minister, and if the minister is to remain credible I hope he will heed this suggestion. I hope he will be the one to determine his requirements in regard to information, instead of reacting to the advice of collection agencies that spell out his programs on the basis of information supplied to them by other agencies.

An hon. Member: Such as Information Canada.

Mr. Forrestall: Yes, and others. I am not saying that their information is not of value or pertinent. However, unless the minister seeks the advice of professional experts and determines his own requirements—such as appointing a deputy minister of fisheries—I do not think—

The Chairman: Order. I must interrupt the hon. member to inform him that his time has expired.

Mr. Lundrigan: Mr. Chairman, I should like to ask the minister one or two simple questions before he accepts the amendment. Has the minister consulted the provinces in regard to eliminating the Department of Fisheries, and would he give the committee an indication of the response he received?

Mr. Davis: The answer really is no, Mr. Chairman. I have described our program and our new department to provincial ministers who are interested in the fisheries, forestry, wildlife, water and air. I have not asked them for their advice, nor have they sought mine in regard to the reorganization of their departments. Many of them are making changes that are similar to the ones we are proposing.

[Mr. Forrestall.]

Mr. Lundrigan: Has the minister received any reaction from any of the ten provinces in regard to the diminution of the role of the Department of Fisheries?

Mr. Davis: I think I answered that question, Mr. Chairman. I outlined to them what our plans are and I have not received any unfavourable comment.

Mr. Lundrigan: Mr. Chairman, the first question I asked the minister was whether he had had any consultation winth the provices. I then asked whether the provinces had made any recommendations. I can hardly believe that the answer to my first question was what I thought I heard, that there had not been any consultation although the program had been explained to the provinces. Has the minister not had some sort of discussion to iron out some of the difficulties of consultation and future planning with provincial departments of fisheries and their future relationship with the now non-existent branch of the new department that will be set up to deal with the fisheries? Provinces like Prince Edward Island, Newfoundland and Nova Scotia will continue to have their own department of fisheries, so I should like to know whether the minister has ironed out with the provinces how discussions will be held on a federal-provincial level.

• (9:00 p.m.)

Mr. Davis: Mr. Chairman, we have had discussions about programs and policies of a general character. We have also had some discussions, particularly at the council of resources ministers, as to the way we were organizing to cover our new responsibilities. The provinces were not asking Ottawa how to organize their affairs, nor were we asking them for their advice as to how we should organize our affairs.

Mr. Lundrigan: Perhaps I could follow that line of questioning, Mr. Chairman. When we have international discussions and bilateral discussions, as we have with the Soviet Union and anticipate having again with them and other countries, and when we have discussions on the Law of the Sea and what we hope will be a marine resources conference among various nations at some time in the future, who will represent the Department of Fisheries?

Mr. Davis: It is hard to say, but we will get the most competent people we can to represent us, whether they are in the public service or have to be retained from outside.

Mr. Lundrigan: I hope the minister will not send the Secretary of State for External Affairs, and I am sure this will meet with the approval of the House. In reacting to the debate we have had today, would the minister indicate whether it whould be in order, in accepting the amendment proposed by the hon. member for South Shore, to have a very competent person in marine resources and fisheries as the deputy minister, that is, the type of person with expertise similar to Dr. Needler? He commanded tremendous international respect. It will be necessary to have that kind of man at the highest level in

the department in order to carry on the bilateral discussions we must have if Canada is to continue to maintain a fishing industry.

Mr. Davis: I think the simple answer is that we hope Dr. Needler will continue to represent us at these negotiations. We will be asking him to act on a retainer basis to perform some of the functions he has performed in the past in the international sphere. We will have both Dr. Needler and an Assistant Deputy Minister of Fisheries, which is a better arrangement than the hon. member is proposing.

Mr. Comeau: Did I understand the minister to say that Dr. Needler would be associated with the department? If he is to remain in the department, what will his position be? Will the minister make a comment in this regard? My question is simple.

An hon. Member: Oh, come on.

Mr. Comeau: Some hon. members only come here to say, "Come on" and, "Oh, oh". That is all they are here for tonight. We never see them here in the evenings. Some of the faces we see here tonight we hardly recognize. Will the minister accept his responsibility, while he is still Minister of Fisheries, of protecting the interests of the fishermen by accepting the amendment presented by the hon. member for South Shore? Give us some argument as to why you are going to defeat this amendment. We understand you intend to, because you have all your members here.

The Chairman: Is the committee ready for the question?

Mr. Comeau: Does the minister not want to answer my question or present any argument? Can he tell us who the deputy minister of the new department will be and where he will come from?

Mr. Davis: The Prime Minister has already announced the appointment of Mr. Robert Shaw as the prospective deputy minister of the new department of the environment. The present Deputy Minister of the Department of Fisheries and Forestry, Dr. Needler, has indicated that he would be willing to negotiate an arrangement with the department to help us out, particularly in the international sphere. So I hope we will have the services of both these gentlemen in the years ahead.

Mr. Comeau: Can the minister state what experience the new deputy minister will have in the fishing industry?

An hon. Member: None. He was with a foundation company.

Mr. Comeau: Can the minister answer that question, Mr. Chairman?

Mr. MacInnis: I have a question for the Minister of Fisheries. He said that the Prime Minister has announced that Mr. Shaw will be the deputy minister. Will the minister ask his colleagues why Mr. Shaw was chosen for this particular position, when he was recommended by members of the cabinet to be chairman of the board of Devco? The cabinet also chose Mr. Fullerton, and everybody knows Mr. Fullerton's record.

Some hon. Members: Oh, oh!

The Chairman: Is the committee ready for the question?

Mr. Forrestall: Mr. Chairman, with all due respect to yourself and the lateness of the hour, I want to complete my—

Some hon. Members: Oh, sit down.

Mr. Forrestall: Hon. members may laugh and treat this matter as lightly as they wish. The urgency of having somebody next to the minister who has expertise and an awareness of the industry may be important in a very minor way to most hon. members over there, but some of us think it is very important. I should like to reiterate, in order to complete the remarks I started earlier—

The Chairman: Order, please. I realize the hon. member is entitled to the floor, and I want him to have it. My only admonition is that his remarks should be relevant to the amendment under discussion in the committee.

Mr. Forrestall: On a point of order, Mr. Chairman, I would ask you to describe to me the relevant procedure for transmitting information to the minister. I suggest that Mr. Robert Shaw knows not a wit about fishing. Through you, Mr. Chairman, I ask the minister when was the last time he was out in a dory.

Mr. Bell: Another Jack Pickersgill, that's all he is.

Mr. Crouse: Mr. Chairman, when I moved the amendment to clause 4 this afternoon I did so in all seriousness and with the realization that the fishing industry is, and will be, in desperate need of a spokesman during the months and years ahead. As the minister is very much aware, the fishing industry in Canada today is facing very serious problems. The fishing industry is faced with a tremendous problem in respect of mercury pollution in Atlantic Canada. It is faced with a tremendous problem of overfishing by foreign nations on our continental shelf, to the extent that our resources are being seriously depleted. I am aware that the minister has taken some action to conserve our haddock stocks. He is also aware that his action has not in any basic way helped solve the problem. I say to hon. members who have enjoyed a dinner of haddock, you would be well advised to obtain that fish if you can find it in the supermarkets, because the quantity available is seriously depleted on the offshore banks and the continental shelf.

An hon. Member: No commercials, please.

Mr. Crouse: This is only one of the many problems facing our fishing industry. In moving the amendment to clause 4 I realize that our fishing industry needs as its spokesman a person who will have as his primary concern the needs of Canadian fishermen. This is a primary

industry which provides employment for many thousands of people in Atlantic Canada. Fishing is the only type of work these people know. Through circumstances beyond their control, many of them are uneducated and cannot be readily trained for other types of employment.

• (9:10 p.m.)

We cannot allow this industry to be relegated to second place. We cannot allow it to be put in a position where it will only receive secondary consideration by this government, by the minister and officials of the Crown. This is our genuine fear. It is a fear expressed to me by leading people in the industry in letters and telephone conversations. I wish hon. members could talk to some of the sea captains whose lifetime earnings have been spent on a long-liner which is now tied to the dock and cannot be put to sea for swordfishing. This is the problem that many of them face. They have put their entire savings into boats and equipment and now, through no fault of their own, they find their ships tied to the dock with no alternative fishery available to them.

The minister and his officials may well say that these ships can be converted to another form of fishing. However, the minister is well aware that there are very few types of fishing to which a longliner can be converted. A longliner does not require much power. You can put 300 horsepower in a 100-foot ship and it will have adequate power; but once long-lining is no longer profitable, you cannot use the ship as a scallop-dragger, for example, because the power has to be doubled.

The minister said that some way will be found to assist these fishermen. I wonder when he or the deputy minister of the environment will find the time to meet and counsel these fishermen and set up a plan to assist them. Will the government make available the necessary funds to repower some of these ships? A 600 horsepower engine costs in the neighbourhood of $60,000 or $70,000. These are astronomical figures to Canada's fishermen. You must remember, Sir, that their operations have not been overly profitable; they are operating in regions that are well known to be economically disadvantaged. Hon. members from Newfoundland could give a more graphic description of the plight of some of these fishermen. I am also well aware of the difficulties they face.

For all these reasons I ask—in fact if it is necessary, I beg—the minister to give careful consideration to what he will be doing by not making available a deputy minister who will be responsible for fisheries. The minister said a few moments ago that the retiring deputy minister, Dr. Needler, may well stay with the department for another few years. This is encouraging news and we welcome it. But I ask the minister, does this mean that Dr. Needler will continue in his position as deputy minister? If this is to be the case, the amendment I have moved is somewhat redundant.

I think that before we take a vote the minister should make a clear statement about the position of Dr. Needler. He has been with the department since 1929, I believe. He has a tremendous grasp of the fishing industry and tremendous knowledge gained through experience in the industry and of individual fishermen over the years. Dr. Needler's knowledge, as I have said before and as I repeat, would be invaluable to the fishermen and to Canada when this country attends the conference to determine the amount of fish which will be taken on our offshore banks. I refer to the international conference to be held in 1972. Therefore, I think it is necessary that the minister clarify the position of the one known specialist within his department, namely, Dr. Needler. We would like to know if he will continue as Deputy Minister of Fisheries. I hope the minister will make this clear to the committee.

Mr. Lundrigan: The opportunity to say a few words on fisheries when there are so many members in the House is rare, because I have never seen more than a dozen hon. members in the House when we have been talking about fisheries. I would like to supplement the remarks of my colleague, the outstanding fishermen's representative from South Shore who has been involved in fisheries ever since he was knee-high to a grasshopper, a man who understands the fishing industry of Canada from the dory to the dragger, the long-liner and the like. I was amazed a few minutes ago to hear several hon. members ask, "What the heck is a long-liner?" Someone else asked, "What is groundfish?" Perhaps they think it is something you put through a mincer to end up as a patty. I am not surprised at this lack of knowledge about fisheries in the House of Commons because we do not often have fish on the menu here.

We have in Canada five provinces on the Atlantic coast and one on the Pacific coast which are directly affected by the fishing industry. There is British Columbia, the east part of Quebec, the Gaspé area and the four Atlantic provinces. I do not know whether members know this, but fishing was the staple industry of the nation. They did not start Canada with the great industrial complexes of Ontario. They did not develop the railway across Canada to open up the fishing industry, either. That came a lot later than 1497. People came over from Europe and asked why we did not turn the east coast of Canada into a marvellous garden of marine resources, a great area where there exists the most advanced marine resource industry in the world.

The British, 400 years ago, milked the economy of the Atlantic region with their great naval fleets. The Spaniards sent out their fleets and so did the Portugese. They came across the Atlantic and developed the economy of the Atlantic region which supplemented their own economies. That was the beginning of these great European nations. The British always treated Newfoundland as a vessel moored off the Gulf of St. Lawrence, a very convenient vessel moored along great fishing banks such as the Grand Banks, the Georgia Banks and all the great fishing areas of the Labrador coast, Hamilton Inlet and Groswater Bay. We could never really develop our fishing industry because of lack of industrial expansion and because we did not have the type of taxation base to give us the necessary funds.

The Chairman: Order, please. I hope the hon. member will move very quickly to the area of relevance dealing

with the amendment before the House. I hope his initial remarks are introductory, but I also hope he will soon speak to the amendment before us.

Mr. Lundrigan: Yes, Mr. Chairman, these are introductory, preliminary remarks. I want to lay the foundation. The fact is that we could not develop our economy appropriately because we did not have a taxation base, and the wealth of our resources was not developed to a point to allow us to develop our fishing industry. Twenty years ago we became part of the Canadian nation. But so far as Newfoundlanders are concerned, the Canadian nation has been most disappointing because it has never treated the fisheries as a major part of the economy, with the result that you get a sheaf of Newfie jokes passing around, just like the one that a member of the NDP told earlier this evening.

• (9:20 p.m.)

Some hon. Members: Shame.

Mr. Lundrigan: If hon. members would allow me to complete my remarks, their attitude is that the eastern Canadian is some kind of stepson in the unity of this great nation. We have to depend on handouts—this has been the case year after year—when trying to develop our economy. We have never been given a full opportunity to develop our resources, particularly the fisheries. The Canadian fishing industry has gone through several years of relative depression. The Soviet Union, West Germany and Poland have depleted our resources. Now I understand that even Algeria is building a fishing fleet.

The Chairman: Order, please. I invite the hon. member to move quickly into the area of whether or not there should be appointed a Deputy Minister of Fisheries. I know that he is building up an argument in this respect, but again I invite him to move quickly to the question of why, or why not, such a deputy minister should be appointed.

Mr. Lundrigan: I am not at all surprised that the Chair does not recognize the relevancy of my argument. In 1968, for example, the Russians took 25 per cent of the fish stock off the Hamilton Inlet Banks, which are the great spawning grounds for the Labrador fishery. The amount of fish they took was one billion pounds, enough to keep the biggest fish plant in my riding going for 100 years.

Canada has sat on its haunches. It has not moved aggressively to protect these resources. The Secretary of State for External Affairs has not had the backbone, the courage or perhaps the interest to take any initiative. We have not identified this industry as being important enough. We have not been determined to harvest these resources ourselves. Mr. Chairman, just check the tins of kippers that you put on hors d'oeuvre at your cocktail parties and you will find they do not come from Nova Scotia, P.E.I. or Newfoundland. They come from Europe, because the Germans sent over great fleets to take the herring, package them and send them back to us.

The Norwegians and the Icelanders have developed their fishing resources. The fisheries are almost their whole economy. But what have we done? This year, after all the fuss we have had about fish, all the racket we have raised, the "W5" programs on television with the minister coming across on the tube and saying he is aware of the problem, with the people of B.C. almost launching a naval attack on the Russians, and after the bilateral discussions we have had with the Russians, what have we done? We are going to retire the Deputy Minister of Fisheries. We are going to get rid of the Department of Fisheries. After spending a lifetime in the service of the fisheries, we are going to retire Dr. Needler and tell him, "If we want your advice one of these days, we will ask you."

The Minister of Fisheries is not concerned. He is moving into an area in which he is very competent. I know he will be competent in controlling various types of pollution. This is the job he has been seeking. But the government has not said that it will appoint one of the proposed ministers of state to be responsible for fisheries. No longer will we be able to ask questions in the House of the Minister of Fisheries. Instead, we will have a minister of the environment, another man called the deputy minister of the environment, and away down the line we will have an assistant, an associate, a kind of director or some other kind of character responsible for fisheries. This cannot be tolerated. The Prime Minister's Bill C-207 should be carefully torn up and thrown into a large waste paper-basket.

The people of Canada whom I represent, the fishermen of Canada, are not fully aware of the implications of this legislation. At a time when France, the U.S.A., Germany, England and other countries are setting up special departments to launch an aggressive initiative in the area of harvesting marine resources, because they know this is the last great frontier, we in Canada are eliminating our Department of Fisheries in order to create a very beautiful, sweet tasting, sugar-coated department of the environment, and this solely because environmental pollution is the political issue at the moment. That will not solve the problems of the fisheries. It will be a sad day for the fishermen of Canada when this bill is passed. If the government does not want to help us harvest our fishery resources, then it had better develop a beautiful welfare scheme or put us all on the dole.

The Chairman: Order, please. I hesitate to rise again because this is the third time that I have interrupted the hon. member. With respect, I think the hon. member has not dealt with the amendment that is before the committee. I earnestly invite him to deal with the question of the appointment or non-appointment of a deputy minister of fisheries.

Mr. Lundrigan: If I am going to have as much trouble convincing the minister as I am the Chair, then I had better quit right now.

Some hon. Members: Hear, hear!

Mr. Forrestall: Mr. Chairman, the question posed by the mover of the amendment is serious enough to warrant a reply from the minister. How, exactly, will the

fisheries be represented in the new department—in what capacity, at what level and with what authority in relation to the minister? I will accept your admonition, Mr. Chairman, and not talk about information, although I think that is equally relevant. Before we vote on the amendment I think the minister should reply.

Mr. Davis: Yes, Mr. Chairman, on the understanding that this will be the last statement before there is a vote on this issue. The organization of the Department of Fisheries and Forestry at the moment is that we have a deputy minister. We have an Assistant Deputy Minister of Fisheries and an Assistant Deputy Minister of Forestry. That structure will be retained in the new department. We will have an Assistant Deputy Minister of Fisheries and an Assistant Deputy Minister of Forestry so that organizationally the new department is the same as the old one.

The real problem that the fishing industry has faced over the years is that of environment, pollution, power dams, discharges from industry, sewage from cities, and so on. If we deal with the environmental problems we will have solved half of the problems of the fisheries. If we can get the ocean fisheries on to a sustained yield basis, which again is a matter of environment, we will have gone three-quarters of the way toward solving the fishery problems of this country. So basically our approach is to deal with the main problems of the fisheries by dealing with the environment of the fisheries. Hence a new department of the environment.

The Chairman: Is the committee ready for the question?

Some hon. Members: Question.

• (9:30 p.m.)

The Chairman: The question is on the amendment.

Amendment (Mr. Crouse) negatives: Yeas, 29; nays, 51.

The Chairman: I declare the amendment lost.

Clause agreed to.

On clause 5—*Duties of Minister.*

Mr. Howe: Mr. Chairman, yesterday I took advantage of the discussion on clause 3 to ask some questions about the water problems encountered in Ontario. Clause 5 stipulates and lays down the duties of the minister and the different areas in which he has such duties. I am thinking of the water problems of Ontario, one of the most outstanding of which is the one that has developed in the Great Lakes and particularly in Lake Erie. I ask the minister whether there have been any recent agreements involving the International Joint Commission, the government of the United States and our federal government on setting a date for cleaning up Lake Erie. Has a target date for any such cleanup been set?

This is a tremendous problem. We find that 30,000 tons of phosphates are dumped into Lake Erie every year. When one realizes that 1.5 pounds of phosphate enrich 10,000 gallons of water, one can imagine the effect of 30,000 tons of phosphates being dumped into Lake Erie each year. Anyone who has been in that area realizes that something must be done. I know that the federal government assists the provinces, through CMHC, in sewage programs.

I am glad the minister in charge of housing is here tonight because I should like to ask him a question in connection with this water problem and sewage. I understand that the money to be allotted to the provincial governments has been used up. I am referring to the money that is available from CMHC to assist the province of Ontario with its sewage problems. I understand that all the money available in that fund has been used up. Is that correct?

Mr. Andras: Mr. Chairman, the sewage treatment fund for 1970 was allocated early in the year. Like most of our budgets it is, I fear, not sufficient to meet all the requests or needs. There was an increase in the sewage treatment fund in 1970, from $50 million to $75 million. Those funds are all committed and used up. They were used up some months ago. Further requests are coming in for 1971. The CMHC budget will be announced very shortly. We shall be in communication with all the provinces, including Ontario, with regard to their share of the sewage treatment fund as well as other matters. At the moment I cannot disclose that share because I am still awaiting final approval. I expect to wait for another few days.

Mr. Howe: Mr. Chairman, I understand that the Ontario minister in charge of the environment has been writing to the minister. He has complained that he has not received replies. He wrote to the minister in November in connection with this matter and is disturbed because he has not received a reply. I presume that the minister will decide how much to give the province before replying to the letter. Is this correct?

Mr. Andras: Mr. Chairman, I cannot remember the letter to which the hon. member has referred. I would be chagrined if the letter had arrived and had not been acknowledged. I rather suspect that this is the case. I will check forthwith. I return to the main point. The fact is that the 1971 budget is being considered now. The funding will be made known to all the provinces very shortly and, indeed, to the House at the same time.

Mr. Howe: Mr. Chairman, is there to be an increase for 1971 as compared with 1790?

Mr. Andras: Mr. Chairman, hope springs eternal in the human breast. I am hopeful that that will be the case. However, until my budget is ready to be announced in the House I could not deal with the kind of detail the hon. member seeks.

Mr. Howe: Mr. Chairman, may I address a question to the Minister of Fisheries and Forestry whom we understand will be in charge of programs involving the environment. Could he answer the question as to whether there have been any agreements or discussions with the

federal authorities of the United States? Has any deadline been set for cleaning up Lake Erie, or is any percentage of that lake to be cleaned up within a certain time? Will that be possible? Have there been any discussions in this regard? If so, what deadline has been set?

Mr. Davis: Mr. Chairman, as the hon. member knows, the International Joint Commission tabled its final report, including a number of recommendations some months ago. Those recommendations were to the effect that a number of water quality objectives be met in Lake Erie and Lake Ontario and that they be met by the mid-1970s. This recommendation has gone not only to the government of Canada but also to Washington. We expect to hear shortly as to the endorsation or otherwise by the United States government with respect to these objectives.

Mr. Howe: I understand that this clean-up will necessitate the use of special equipment which is provided for special programs already under way, in particular in Ontario. I talked to some Ontario officials today and understand that in the interim the province will require $30 million in order to instal nutrient-removing equipment in existing sewage disposal plants. Will the government go part way with the province in meeting this expenditure?

Yesterday the minister told the committee that the extent of federal aid in these water programs would depend, of course on, whether the federal government was involved. In this case there is an indication apparently, that it is involved because the waters I am speaking of are international waters, and the recommendation referred to has been made by the International Joint Commission. I was told that $30 million would be needed. I expect the minister knows about this already. I hope the federal government will help the province and provide part of the $30 million which is necessary to obtain this special equipment. The equipment must be installed and used in conjunction with present sewage treatment programs if Lake Erie is to be cleaned up as we hope it will be. I do not ask the minister to give me a definite, affirmative answer tonight. I merely ask, will the federal government help the province of Ontario in this program?

• (9:40 p.m.)

Mr. Davis: The answer is definitely yes, Mr. Chairman. The figures which the International Joint Commission quoted were between $200 million and $250 million to clean up the Ontario side of the lower lakes, and roughly six times that amount to clean up the United States side. As has been the case in recent years, I am sure that the Canadian government will, through loans, assist the municipalities with sewage treatment plants in future years. I think the annual expenditure of this program to clean up the lower lakes will run somewhere between $30 million and $40 million per year, not $30 million in total.

Mr. Howe: Perhaps I have the wrong figure; it may be $30 million a year as the minister has suggested. I am glad to hear that funds will be available. As this is a specialized program, I sincerely hope this will not be considered part of the money received through CMHC, but that it will be a special fund to assist the province of Ontario in this area. They have already set up sewage treatment programs. If this money is taken out of the funds allocated through CMHC, there will be less money for that and for developing new programs where they are required.

[*Translation*]

Mr. Laprise: Mr. Chairman, concerning clause 5, I would ask the minister whether he has received a report from those in charge of the investigation into the polluted waters flowing into James Bay, which created major problems for Eskimos fishing for white whales.

Last year, white whales were considered unfit for consumption because of mercury pollution, whereas this cetacean is an important source of food for the Eskimo population living along the coast of Hudson's Bay.

Following questions put by me at the end of 1970, I was told that an investigation was under way to determine the source of mercury pollution in James Bay and Hudson's Bay.

Has the minister had any reports on this investigation and is he in a position to tell us what steps are to be taken to avoid that waters flowing into this inland sea continue to be polluted by industrial plants. In fact, there is not much doubt that they are responsible for such pollution.

[*English*]

Mr. Davis: Yes, Mr. Chairman, our scientists and engineers have been making investigations. The principal sources of pollution by mercury from industry have been detected. The industries in question have taken the appropriate action and the discharges of mercury have been reduced by more than 90 per cent. By April 1, these will have been reduced by more than 99 per cent. However, the mercury in the river system and in James Bay is persistent. The problem may continue for some months or even years.

[*Translation*]

Mr. Laprise: Mr. Chairman, I should like to put a supplementary question to the minister. Can he say which industries have been a source of pollution in the rivers flowing into James Bay?

[*English*]

Mr. Davis: The principal source of pollution and the principal source of mercury in this case is the industry manufacturing chlorine and caustic soda, normally referred to as the chlora-alkaline industry.

Mr. Orlikow: Mr. Chairman, clause 5 of this bill gives the minister of the proposed department tremendous responsibilities and authority. He will be responsible for a whole list of important aspects of our life. Under subclause (c) the minister is responsible for water. I pre-

sume that means the quality of water. Under subclause (e) the minister is responsible for the following:

> the protection and enhancement of the quality of the natural environment, including water, air and soil quality;

These are very important responsibilities. The minister and his officials have been thinking about the problems which we will face in the future. A very interesting and important paper was presented by Mr. J. W. MacNeill, director of policy research in the department, at a meeting in Washington. I shall quote from that paper because the author deals very well with some of the problems which Canada will face:

> —Canada is now one of the most highly urbanized countries in the world—
>
> —73 per cent of the Canadian population was urban in 1966. By 1981 this proportion is projected to rise to 85 per cent and by 2000 to 94 per cent—
>
> —within 30 years more than half the population of Canada—some 16 million people—will be resident in 21 centres stretching along the St. Lawrence lowlands from Windsor to Quebec City.

This being the case, the minister and his officials must realize what is happening in terms of urbanization of this country. I am completely astounded and constantly amazed at the lack of concern the federal government has shown about what is happening. In the largest cities in Canada we are permitting, and the minister is encouraging by his lack of action, municipalities to dump almost all or most of their waste into rivers fronting or running through them, with virtually no treatment. What is the federal government doing about this situation? Almost nothing.

The Sixth Annual Review of the Economic Council of Canada, entitled "Perspective 1975" deals with this question. It states that the following cities have virtually no facilities for the treatment of sewage being dumped into rivers or the sea: St. John's, 100 per cent no treatment; Dartmouth-Halifax, 99 per cent no treatment; Quebec city, 100 per cent no treatment; Montreal, 91.6 per cent no treatment; Windsor, 85 per cent no treatment; Saskatoon, 93 per cent no treatment; Vancouver, 59 per cent no treatment; Victoria, the capital of British Columbia, 98.9 per cent no treatment.

An hon. Member: What about Toronto?

Mr. Orlikow: Toronto is doing somewhat better, no thanks to the federal government. For a considerable time the citizens of Toronto have been trying to meet the problem. This also applies to my city of Winnipeg. What is happening around the capital of this country, Ottawa? In the 80 miles between Ottawa and the mouth of the Ottawa River, near Montreal, there are 14 communities which are pouring raw sewage into the Ottawa River, ten in Quebec and four in Ontario. I am not going to deal with the pulp and paper plants because the minister stated that they have a program and timetable. I will take his word for it. I think, however, that they should speed up the timetable. The minister stated that within seven years it is expected that even the old pulp and paper plants will have installed the kind of equipment which will end the dumping of effluents into the rivers.

• (9:50 p.m.)

The minister has said not a word about the problem of the cities and, particularly, of sewage disposal. Ottawa only takes care of 30 per cent of its sewage; 70 per cent is dumped into the river virtually raw. The city of Hull, with a population of 57,000 people, has no facilities for sewage treatment. I have already mentioned Montreal. I put these facts on record not because I am critical of the cities—no one living in any city in Canada can fail to notice how his taxes go up year by year—

Mr. Whelan: May I ask the hon. member a question? How recent are his figures?

Mr. Orlikow: I said these appeared in the sixth annual report of the Economic Council. That was published probably last year or the year before.

Mr. Whelan: I know that the city of Windsor last year turned one part of the city into a treatment plan.

Mr. Orlikow: Then I congratulate Windsor, but I would be interested to know how the figure I quoted for Windsor of 91 per cent untreated sewage has been reduced. I am sure that a substantial majority still goes untreated. It is not that the municipalities are unaware of the problem. On March 3, 1970, the Canadian Federation of Mayors and Municipalities made a submission to the Commons committee which was then discussing the water act. The submission shows clearly that they recognize their fault and they came to the federal government for help. I quote a few sentences from that submission:

> The Canadian Federation of Mayors and Municipalities recognizes that to make such a massive co-operative effort successful—

They are talking about sewage treatment systems in Canada.

> —municipalities will be called upon to assume many responsibilities, to make many important adjustments in their programs and methods of operation and, in many cases, to alter their scales of priorities for spending.
>
> There is little doubt among municipalities that the primary creative role in combating air and water pollution should be assumed by the provinces.

The brief went on to say:

> Federal involvement, through fiscal, technical and resarch assistance and, ultimately, through punitive sanctions, seems absolutely essential to effective planning and enforcement in any region in Canada.

I do not have time to quote further from the submission, but it is clear from the few passages I have placed on record that the cities of Canada know what the problems are. What they are looking for now is leadership and meaningful assistance from the federal government.

An hon. Member: You mean money.

Mr. Orlikow: Yes, they are looking for money. I say that in 1971 to have a city the size of Montreal, a city of 2.5 million people, dumping its sewage untreated into the St. Lawrence River is a disgrace. And what has Ottawa done about it? Nothing. Ottawa has said: We have $75 million a year available for all of Canada but if you want to hold the Olympic games we will give you substantial financial help. It is circuses instead of bread. I would take the government more seriously if instead of the fine phrases we get from them they were to show real concern by putting up the money required.

The minister has told us that in seven years he expects the pulp and paper mills to have cleaned up the pollution they have created over the years. I wish he could get up and say that within twice seven years or three times seven years the cities of Canada will have been required, forced by law and helped by the federal government to end the disgraceful practice of dumping raw sewage into the rivers and lakes of this country.

Some hon. Members: Hear, hear!

An hon. Member: Question.

Mr. Harding: Mr. Chairman, I have a few words to say on this clause.

An hon. Member: Filibuster.

Mr. Harding: It is anything but a filibuster. Clause 5 is very important.

Mr. Deakon: We all know that.

Mr. Harding: I should like to read the clause:

> The duties, powers and functions of the minister of the environment extend to and include all matters over which the Parliament of Canada has jurisdiction, not by law assigned to any other department, branch or agency of the government of Canada, relating to—

Then follows a long list of the items with which the new department will be concerned. In my opinion there are several gaps in this program. The most important concerns our Arctic areas, 40 per cent of Canada's territory.

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

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

GRAIN—SHARING BY GOVERNMENT OF COST OF STORAGE

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, on January 13, as reported at page 2369 of *Hansard*, I

asked the minister in charge of the Wheat Board the following question:

> In view of representations by representatives of the farm organizations concerning the storage of the six major grains, can the minister say whether or not the government has decided to share the cost of storage of some basic amount of these six major grains, or whether the government is at least considering such a policy?

The minister replied that discussions were going on with the producers about many things—I did not ask him about many things—but that it was not his intention to speculate on the results of the discussions until a full announcement could be made. I chose to discuss the matter on this occasion because I hope that the minister will reconsider what seems to me to be a position on which he has already made up his mind. It seems to me that the minister gave me a non-answer, one that many in the House, and more importantly the members of farm organizations, feel indicates conclusively not only that the government is going to cancel its program of sharing with the producers the storage costs of wheat but that his mind is closed on this and other similar measures.

• (10:00 p.m.)

With this type of stubbornness and arrogance the minister continues to ignore basic principles and minimal fundamentals that apply to agriculture, specifically—in this case—to western grain farmers. He offers not the slightest acknowledgement or even shows an awareness of the fact that, in fairness if nothing else, the Prairie grain farmer is entitled to treatment and benefits that are at least equal to those the government feels justified in providing to other sectors of the economy, sectors that are not nearly so basic to our economy.

The government to which the minister belongs feels it is fair and proper to pay up to $120 million to store and stockpile uranium, to pay millions of dollars to support our gold mines or to pay millions to subsidize the railroads, but that somehow it is bad for the nation to share with the Prairie grain farmers the cost of storing a reasonable inventory of grain. In his proposal—and had the minister proposed in this way to a lady he would have been a born loser—the minister states that the Temporary Wheat Reserves Act would be abolished. This is an item that has cost the federal government an average of $41 million a year since 1956. By abolishing this measure the minister—I suspect in agreement with the Minister of Finance (Mr. Benson), if not at his urging—will then have funds to pay most, if not all, of what he might need to put into what he calls the grain income stabilization fund.

This means that little or no new federal money will go into the western grain industry, particularly after the current crop year. In other words, the minister can be a hero to the Prime Minister (Mr. Trudeau) and the Minister of Finance by using money already provided for a different purpose, getting the federal government off the hook so far as participating to a greater extent in the assistance of western agriculture is concerned. The Temporary Wheat Reserves Act gave proper recognition to the principle that the country as a whole has a responsi-

bility to bear a fair share of storing an inventory of wheat, as is the case with gold. That act is not perfect; I think the minister as well as I would agree that there are inadequacies in it. But at least it took account of the benefit to the nation as a whole of maintaining an inventory of "on ship" or "en route to on ship" loading of western wheat.

Public responsibility for sharing the cost of storing this grain recognized the benefits to the nation as a whole of grain exports, as well as what it does for our foreign exchange position, for enabling our importers to have new avenues of trade with other nations and for the nation in the eyes of other countries, particularly those who buy our wheat. The minister can choose not to consider my views or those of my colleagues and I would not blame him for that. After all, we are members of the New Democratic Party and he is a Liberal. I can understand that, accept it and even forgive him for it. But he ignores at his peril and at the peril of agriculture the spokesmen of those organizations which represent farmers. They unanimously opposed the abolition of the Temporary Wheat Reserves Act. I quote Mr. Ted Turner, president of the Saskatchewan Wheat Pool, as follows:

—that some of the cost of grain storage is a public responsibility. Producers reject any move to eliminate that principle from national agricultural policy.

I ask the minister to reconsider, because I think he has made up his mind to abolish national participation in sharing the cost of grain storage. I suggest he will never find disagreement in me or farm organizations if he retains this principle and brings in new legislation that will provide a cost-sharing program for the storage of a reasonable amount of all six grains.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the question the hon. member has raised was originally pinned to the question of a program of paying for storage, but he touched on a number of issues at the same time. One thing which is clear in the proposals that have been made, and upon which further discussions are to take place, is that the government's financial commitment to the grain industry is being significantly increased by the new form of action. This is due in no small measure to the fact that you will not find stronger advocates for the case of justice for the grain farmer than you find today in the Minister of Agriculture (Mr. Olson) and other Liberal members from the Prairies who have been supporting the farmers so stongly.

The hon. member asks about farm representation. I say to him that when I put to farm organizations the question whether they are simply asking that more money be paid or whether they really want a storage program, they admit each and every one that it is the former rather than the latter in which they are interested. If the Wheat Board, for instance, were to pay for on-farm storage, and therefore the final price to the farmer would be lower, they would no longer be interested in such a program.

This simply turns us back once again to the fundamental and broad argument about whether it is right for the treasury to pay for the support of the grain industry. As I think our proposal indicates, our commitment in this regard has and is increasing, due in large measure to the stalwart support for the grain farmer of the Liberal members in this House.

AGRICULTURE—INQUIRY AS TO CONTINUATION OF FEED GRAIN FREIGHT ASSISTANCE

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, last Friday, as recorded at page 2892 of *Hansard,* I asked the Minister of Agriculture (Mr. Olson) the following question:

Could the hon. gentlemen indicate whether feed grain freight assistance will be continued, as requested at the meeting this week of the Canadian Federation of Agriculture?

The minister replied:

—early last summer we indicated that the rates in effect now will continue until the end of this fiscal year. Of course, in the new fiscal year we will have to bring estimates before the House for the appropriation of funds for the levels we set for that year.

I then asked:

I wonder whether the minister would tell me whether he said yes to me or whether he said no.

That is the purpose of my exercise at this time. This question is probably the most serious one to face agriculture in my part of Canada, and I make no apology for raising this matter at least once a year and for having this enjoyable debate during the "late show". There is suspicion among the farmers of the Atlantic area, and I think among others as well, that the Minister of Finance (Mr. Benson) is trying to axe this program. I think the farmers also suspect that the Minister of Agriculture is a doughty proponent of the program, and I hope he will be able to hang in there and see that his colleague does not exercise what would be ridiculous and dangerous parsimony.

• (10:10 p.m.)

I have been talking to people who attended the meeting of the Canadian Federation of Agriculture, some of them being in the chicken business in Nova Scotia. Of course, chicken is one food that has not changed very much in price over the last few years. Enormous quantities are being produced now and dispensed to the public by such people as Colonel Sanders, Chubby Chicken, and the like. I asked the suppliers of this chicken whether they were getting greater returns for it: the cost must have gone up, so how on earth could they stay in the chicken business? After a long pause one of the most successful ones in Nova Scotia replied, "Well, it must be the feed grain freight assistance that made the difference between having a chicken farm that operates at a profit and one that would have operated at a loss". So it is frightfully important to the livestock industry in Halifax-East Hants and the adjoining farming communities in Nova Scotia.

I think the minister will recognize that it is important that these people receive an answer to the question, if only so that they may plan ahead. Who wants to be

ordering extra livestock if suddenly the animals are going to be eating the head off the farmer because the assistance program is not forthcoming or is watered down? I think the minister will recognize the merit in my bringing the question before him at this time. The Nova Scotia Federation of Agriculture, in its position paper regarding the report of the federal task force on agriculture, made some points with regard to this problem. I quote from page 6 of this document as follows:

> We are amazed over the fact that no mention was made of the transportation problems, especially in the maritime region. Factors such as railway tariffs, transportation facilities, access to markets and systems of agreed charges are the root cause of many problems. A special study should be undertaken to look into this matter and recommendations made for the solution to these problems.

On the following page this statement is made, and perhaps it is a misprint:

> We must take great exception to the recommendation that the feed freight assistance program be disconinued by August 1, 1970.

This document was put out on November 1, 1970, so I am at a loss to understand why that particular date appears where it does. In any event, they make the point that Nova Scotia is only 20 per cent self-sufficient in feed grain production, most of which is oats: there is also some barley and mixed grains. They say, "The prospect of self-sufficiency by 1980 is a far removed dream". So I ask the Minister of Agriculture to take that message to the Minister of Finance and tell him to put it in his pipe and smoke it. We are not likely to become self-sufficient in this area, commendable or attractive as that objective might appear to be.

We are one country. In the west we have farmers who are growing grain and doing their darndest to find somebody to buy it. In the east we have farmers who for their livestock or chicken industries desperately need foodstuffs. So I suggest, what is more obvious and practical than to bring the supply to the demand and thus bring health to agriculture at both ends of Canada? Therefore, I would like to ask the Minister of Agriculture two questions. Will the program continue after March 31, 1971? If so, at what level? That is, will the formula be the same?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have no wish to question the hon. member's right to bring this matter before the House of Commons and to request or demand a reply. However, I do not believe he should purport to be the spokesman for the Canadian Federation of Agriculture. I am aware of the motions that they accepted and the ones they defeated. I understand they are going to put them in a brief which will be submitted to cabinet. It will be presented by that organization very shortly to the cabinet. However, I want to make it very clear that as yet we have not received that brief based on the resolutions which were accepted and defeated at the recent convention of the Canadian Federation of Agriculture.

The hon. member is demanding a yes or no answer. I suggest to you, Mr. Speaker, that in many cases—this is one of them—the most accurate answer cannot be either a categoric yes or no because quite obviously there are anomalies that creep into the system, changes in the freight rates in various zones from one year to the next, and it is our intention in consultation with the farm organizations to review them and adjust them accordingly. I can say to the hon. member that there will be a feed freight assistance program after the end of March 31, 1971. He wants to know how and at what level the expenditures will be. I think he is asking a question that he knows I cannot answer. We have to bring these estimates to Parliament about April 1, at the beginning of the new fiscal year, and when that new fiscal year starts we generally make an announcement of what the rates will be.

Last year, during the course of the year, because of apprehension about the task force's recommendations, we announced that we were prepared to carry on the rates at the existing level to the end of this fiscal year. This year, if we can make the announcement early in the new fiscal year we will do so because it is useful for farmers to have that information.

INDIAN AFFAIRS—ALBERTA—ESTABLISHMENT OF FACILITY FOR DINOSAUR AREA

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, my purpose in raising this matter tonight is in recognition of the fact that on some matters it is impossible to get governments to act, particularly where more than one level of government is involved, except through arousing public opinion. While I realize that within the four walls of this chamber tonight there is not present a very large segment of the Canadian public, nevertheless I hope to make a contribution to the resolving of the issue.

The record of *Hansard* will show that on January 13 last I sought unanimous consent of the House to move a motion which, if passed, would have resulted in the repatriation to the public realm of the areas of Wood Buffalo National Park alienated under timber lease agreements. In my introductory preface to the motion I indicated that what was going on in that national park was a complete negation of the basic terms of the national parks trust, and that it was incompatible with the general administration of national parks in Canada. As a matter of fact, what precipitated my decision to move that motion which, as you will recall, Mr. Speaker, did not get the unanimous consent of the House, was the story which appeared in that day's issue of the Toronto *Globe and Mail*, a Canadian Press story which was headlined, "National Park Being Stripped—Forester Says", the forester being one of the people involved in the administration in Alberta of the national parks.

Since that time I have seen a rather interesting cartoon depicting the buffalo trying to graze around in a sea of stumps. The implication was that this was not a very satisfactory habitat for wood buffalo. As a follow-up to that and as a result of the report of the attempt to have that motion dealt with in the House, a statement was issued by officials of the parks branch here in Ottawa to the effect that among other things the parks branch did

not have the kind of money that would be necessary to repatriate these areas which were under timber lease. It mentioned that they had spent money buying out timber leases in Jasper and Banff National Parks. As a follow-up, I asked a question of the minister which Your Honour thought should be placed on the Order Paper. In *Hansard* this rather ambiguous heading appears over the question, "Alberta—Establishment of facility in dinosaur area".

• (10:20 p.m.)

An hon. Member: That refers to Liberals.

Mr. Barnett: That heading does not explain what kind of facility is meant. An hon. member near me has made a remark agout the kind of dinosaur in Alberta that I perhaps had in mind. However, Mr. Speaker, the question is a serious one and I was not altogether ignorant of what was involved when I asked it. As a matter of fact, the minister had an opportunity or replying as a result of a related question asked by the hon. member for Peace River (Mr. Baldwin). He pointed out that timber is being cut in Wood Buffalo park and went on to say, as reported at page 2447 of *Hansard*:

—we are presently negotiating with the government of Alberta to establish new limits, as far as Wood Buffalo park is concerned, which would enable us to obtain in exchange the areas where dinosaurs are still to be found, in Alberta.

I think the minister's statement was a little ambiguous. I am sure members of the House realize that we were talking about rare dinosaur bones and not about living and roaming dinosaurs. The point at issue is this: When are the two governments going to get together and really do something about this matter? I remind the House that on April 23 of last year a minister of the Alberta government, Hon. A. O. Fimrite, appeared before the committee and presented a brief. He was questioned by the members of the Northern Affairs Committee on the subject. I refer to the issue of April 23. At page 12:42 Mr. Fimrite explains one section of the brief which says this:

If Wood Buffalo Park was fulfilling the function of a national park, matters would be much different, as a viable national park would be served by road or rail and significant facilities would exist to serve the visiting public. The operation of a national park similar in scope and attractiveness to either Banff or Jasper would be a substantial asset to the province. Such, however, is not the case.

He went on to say that not all national parks have the same kinds of attractions. He continued:

I would give as an example the Dinosaur Park in Alberta in which the federal government has indicated an interest for an exchange with Wood Buffalo park. The provincial government is prepared to consider this suggestion because this area does lend itself for a park of a type which would be the only area in Canada with this particular attraction.

This was said last April, almost one year ago, yet the other day in the House the Minister of Indian Affairs and Northern Development (Mr. Chrétien) said that the government is negotiating with the government of Alberta. I know that discussions between the two governments went on for a long time before the minister of the Alberta government made that statement before the committee. In the meantime, Mr. Speaker, in Wood Buffalo park there is a basic violation with respect to national parks trust.

I suggest it is time the two governments got together, reached agreement and established new national parks in the province of Alberta. They should redefine the Wood Buffalo park's areas so that if there is logging in some areas it will be done under management and conservation arrangements and under the law of the province of Alberta.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I cannot help feeling that I am in an Alice in Wonderland atmosphere tonight. The Minister of Finance (Mr. Benson) was somewhat vilified in the questions asked by the hon. member for Regina-Lake Centre (Mr. Benjamin) and the hon. member for Halifax-East Hants (Mr. McCleave). I did not have the opportunity of responding to their questions. However, I now have the opportunity to respond to a question.

The hon. member for Comox-Alberni (Mr. Barnett) devoted approximately 80 per cent of his time to timber operations in Wood Buffalo National Park. The question on the adjournment debate is the establishment of a dinosaur park in the province of Alberta. I am very pleased to have the opportunity on behalf of the Minister of Indian Affairs and Northern Development (Mr. Chrétien) to respond to this very important question affecting the province of Alberta.

The desirability of including Dinosaur provincial park in the national parks system has been discussed with the province of Alberta since 1963. A joint federal-provincial survey of the area in June, 1966, confirmed that the scenic and scientific values are sufficiently significant to warrant designating this area as a national park. This area is reputed to be the richest bed of dinosaur fossils in North America, with well over 200 finds since the first fossil was found in 1912. The exposure of a large portion of the Oldman geologic formation in this area has resulted in an extensive example of badland topography. Within this park the prairie vegetation gives way to a dry vegetation type, providing a unique combination of plants and animals not portrayed in any national park of Canada.

Acquisition is directly connected with federal-provincial discussions on Wood Buffalo National Park. Alberta has requested the release of all Wood Buffalo Natioal Park lands in the province to permit resource exploitation. Successive federal administrations have rejected this request but have expressed a willingness to consider an exchange of some lands in Wood Buffalo for other areas of high quality in the province. This exchange would not necessarily be on an acre-for-acre basis. It is

an express condition that national park values in Wood Buffalo be retained within any reduced boundaries.

The federal position was reiterated by the Minister of Indian Affairs and Northern Development to the provincial minister responsible, Hon. J. Donovan Ross, at a meeting with him in March, 1970. At that time Dr. Ross was asked to submit a proposal indicating the lands within Wood Buffalo of interest to them and which could form the basis for an exchange of lands. That proposal has not yet been received.

Motion agreed to and the House adjourned at 10:30 p.m.

HOUSE OF COMMONS

Friday, February 5, 1971

The House met at 11 a.m.

ROUTINE PROCEEDINGS

CANADIAN NATIONAL RAILWAYS

ANNOUNCEMENT OF INCREASE IN RETIRED EMPLOYEES' PENSIONS

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, when I conveyed to the Canadian National Railways the report of the Standing Committee on Transport and Communications some weeks ago I undertook at the first opportunity to return to the House with the response of the CNR to the various proposals which were contained in that report which had to do, of course, with the company's pension plan.

I am glad to be able to inform the House that I have been advised by the chairman and the president of Canadian National of steps being taken by the company to offer a substantial measure of relief to its existing pensioners because of the increase in the cost of living.

Some hon. Members: Hear, hear!

Mr. Jamieson: Pensioners under the Canadian National 1959 pension plan who retired on or before December 31, 1969, will have their pensions increased by 2 per cent for each year of retirement. For example, a pensioner who retired in 1969 will have his pension increased by 2 per cent; one who retired in 1960 will have his pension increased by 20 per cent; one who retired in 1950 will have his pension increased by 40 per cent, and so on. Similar increases will be made, I am pleased to say, in survivor benefits being paid to widows of deceased pensioners.

In the case of pensioners under the 1935 Canadian National pension plan, the non-contributory basic pension of $25 per month will be increased to $50 per month for those who retired in 1965 and prior years. For those who retired in 1966, 1967, 1968 and 1969, the increase will be $20, $15, $10 and $5 respectively, since such pensioners are in receipt of pensions under the Canada and Quebec pension plans which more than make up the difference. These increases will be effective from January 1 of this year and payment will commence just as soon as the necessary procedures can be instituted, which will probably be April next.

I might point out that as announced by the company last fall, Canadian National 1935 plan pensioners who are in receipt of pensions toward which they had contributed now have the right to have their pensions recalculated under the 1959 or 1952 plan in force when they retired. If it is in their interest to do so, they will, of course, also receive the increases now instituted for 1959 plan pensioners.

• (11:10 a.m.)

These measures substantially implement the recommendations of the Standing Committee on Transport and Communications in so far as they relate to existing pensioners. Recommendations of the committee relating to employees in service have been included with the wage demands of certain bargaining groups and are currently the subject of negotiation between the railways and unions concerned. I am sure that all hon. members of the House will be as pleased as I am at this very welcome news for these pensioners of Canadian National Railways.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, first of all I should like to thank the minister for his courtesy in providing me with a copy of his statement before coming into the House. I must say that it is a case of the mills of the gods grinding rather slowly, since this is something that had been requested over a considerable period of time.

I do not think that we are giving these pensioners all that much when one considers what inflation has done to their pensions over most of the past decade. Nevertheless, this action does show there is a certain benefit in the parliamentary process and underlines the value of persistence, of committee study, and of digging in one's heels from time to time as a member of the opposition. Only a week ago I was talking to one of the gentlemen who made the pension decision and it certainly had not been made as of last Friday. He asked me what was going to happen to the CN and Air Canada financing bill that is before the House of Commons. I told him that I suspected it would come in for considerable scrutiny, even to the extent of an intensive study of the minutiae, unless we could be given some assurance that these old railway pensioners were being looked after. Apparently the message did get through. I assume that what has been done by Canadian National Railways will also include the pensioners of those older railways that now form part of the CN system.

Finally, Mr. Speaker, I repeat that while the news is welcome in that it means the winning of a battle that has been carried on for a considerable period of time, the fact is that with the 2 per cent formula these pensioners have not been placed in the position in which they should have been in the first place.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, for those of us who have been working for an

increase in the pensions of retired Canadian National employees for a long time—in my own case for nearly 25 years—this is a very welcome announcement. I enjoyed the comments just made by the hon. member for Halifax-East Hants (Mr. McCleave) about some of the factors that have led to action being taken, such as our persistence over the years and the assurance in the last session or two that Canadian National matters would be debated rather fully. I think these as well as other factors have contributed to the realization that a favourable decision had to be made.

I welcome the support I have had in my own efforts from my colleagues who joined us in this parliament, the hon. member for Regina-Lake Centre (Mr. Benjamin) and the hon. member for Moose Jaw (Mr. Skoberg). They, along with others, have been members of the Standing Committee on Transport and Communications. I think it is another tribute to our committee system that as a result of deliberations in a committee there are times when an unanimous decision can be reached. This is what happened in that committee, and on behalf of all members of the committee I think I can say that each one was determined that in this session this objective would be achieved. I commend the members of that committee from all parties for the determination they have shown. It has now paid off.

I congratulate the many thousands of retired employees of the Canadian National Railways who will benefit from what has now been announced. But I am afraid I must also, in my own mind at least, think of the many thousands who should have had this increase over the years but who have passed on while we have been fighting this battle.

Mr. Speaker, the basic outlines of the plan so far as it goes are good. As the minister said, the proposal is somewhat along the line recommended by the Standing Committee on Transport and Communications, but there are two or three gaps to which I should like to draw attention.

In the first place, the plan for public servants which was announced on December 19, 1969, and put into effect on April 1, 1970, provided not only for 2 per cent per year for each year since retirement but provided for that 2 per cent to be compounded back over the years, so that 20 years, for example, would amount to much more than 40 per cent. I regret that this plan does not include that compounding element.

The second shortcoming is that in the plan for public servants not only were immediate increases for the number of years of retirement put into effect but it was provided that in subsequent years there would be further increases as the cost of living went up. In this case it seems to be an ad hoc increase with no provision for further increases as the cost of living goes up in the years that lie ahead. I hope that both these shortcomings will be looked at by Canadian National and that there will be improvements along these lines.

[Mr. Knowles (Winnipeg North Centre).]

In particular, I think that the existing CNR pensioners must get the assurance that this increase is not the last they are going to get, and that as the cost of living continues to go up they will get further increases just as retired public servants get them and just as others who have this provision get them.

The other gap is one to which the Minister of Transport (Mr. Jamieson) referred. I mention it, but I do not do so in a quarrelsome fashion. He referred to the fact that there is nothing in this plan respecting those now in service. In the case of public servants we did the whole job at once. We guaranteed to those now working increases after they retire. The minister says that in the case of those now in service in the CNR this matter has been left to collective bargaining. I do not quarrel with that, but I trust that because of this precedent which has been set, because of other like precedents, and because of the wide concern of employees generally for such improvements, the result of collective bargaining will be to include a provision for the automatic escalation of Canadian National pensions for those now working when they retire.

Mr. Speaker, I have only one other word: Canadian Pacific Railway, please take note!

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we sincerely commend the minister for the announcement he has just made to the House. The persons who will be most happy about this announcement will certainly be the retired employees of the Canadian National Railways who for years have been asking for an adjustment of their pensions.

We realize that this increase will not satisfy all former CNR employees but this is a beginning and pensioners who devoted their lives to the service of the Canadian public deserve some consideration after they retire.

We were happy to hear the minister say how much attention the government pays to the representations of CNR pensioners. As I just said, this is only a beginning and I only wish for one thing: that the government will not stop following so good a course.

* * *

• (11:20 a.m.)

[*English*]

AGRICULTURE

ANNOUNCEMENT OF INCREASE IN CANADIAN DAIRY COMMISSION PURCHASE PRICES FOR SKIM MILK POWDER AND CHEDDAR CHEESE

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I wish to inform the House that the Canadian Dairy Commission will increase its purchase prices on skim milk powder and cheddar cheese, effective February 8.

The new price for skim milk powder will be 24 cents per pound; it is now 20 cents. The basic price for cheddar cheese is to be 51 cents per pound; it is now 47 cents.

These increases, which are the first in four years, will permit an improvement in market prices to producers for manufacturing milk. Hon. members will, of course, appreciate that negotiations with respect to milk prices to producers fall under the jurisdiction of the provincial agencies.

Two recent developments have made it possible to take this action at this time. The most important was the agreement between the commission and the respective authorities of Quebec and Ontario for a supply management program in those two major producing provinces, which I announced to the House on January 14. This guards against the possibility of an improvement in prices to producers resulting in unmanageable surpluses.

The situation on skim milk powder has changed dramatically in the past year. While production of this commodity is still considerably in excess of Canadian use, the price in export markets has improved substantially and the commission expects to have disposed of virtually all its stocks when the new heavy producing season starts in April.

These increases will have little effect on consumer prices. The new cheese price is slightly under the prices in the market in recent weeks. Skim milk powder is used to a considerable extent for industrial purposes.

It will be recalled that when the dairy support program was announced for the year ending March 31 the rate of holdback from subsidy payments, to finance the cost of disposing of surpluses, was set at 26 cents per 100 pounds of milk on deliveries by producers up to their subsidy quotas and $1.25 on deliveries in excess of subsidy quotas. This was calculated to yield an average of about 39 cents on all milk deliveries by quota holders.

When market quotas for manufacturing milk were established in Ontario and Quebec, effective December 1, 1970, the commission made it clear that the 26 cent rate was applicable only to March 31, 1971, and that the rate as of April 1 would be reviewed in relation to the cost of disposing of surpluses in the 1971-72 year. The commission will, over the next few weeks and in consultation with its advisers, determine the rates necessary to finance its export operations in the year starting April 1.

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, in replying to the statement made this morning by the Minister of Agriculture (Mr. Olson), may I point out to the House that it was a rather curious statement. It indicates in no uncertain terms that there will be no increase in the prices to consumers in certain commodities. I think this will meet with general favour across the nation. What I am concerned about is the indication that there is to be an increase in the support price for powdered milk and for cheese. There is also an indication in the minister's statement that this will not cost the government anything. It is really hard to judge from this statement whether the producers will actually receive an increase. The minister stated that stocks of skim milk powder are almost depleted and that the price of 51 cents for cheese is lower than the current market price. Therefore this morning's announcement will not cost the government anything more unless there is a tremendous downward trend in the market place.

It is interesting to note that there is an indication of a further government policy—part has been announced to the House—whereby the holdback on overproduction of manufacturing milk will be doubled both for export sales and when the milk is disposed of to dairies. Despite the very optimistic tone of the minister's statement this morning I fail to see—I hope I am wrong—how the dairy producer will, in face of the over-all program, receive more for his production rather than less. When the dairy industry is made aware of this announcement, it will be very interesting indeed to find out what their reaction will be.

I want to make one final point concerning the government's policy toward the dairy industry. That policy is directed toward the elimination of a government subsidy to the dairy industry. It is bringing this about by a general over-all policy of curtailment of production in Canada. I am not so certain that this policy is correct in face of indications that over-all dairy production in the world is not sufficient to meet current world needs. This evidence is borne out by the disposal of our skim milk powder which, until a few years ago, was very hard to dispose of. There is an increased demand for skim milk powder. Our own production in Canada is so close to our consumption that there is a danger that from time to time we will have to import dairy products to a greater degree than we export them.

I believe the dairy industry will look very closely at this announcement and other announcements on dairy policy, because we may find in the very near future that we have curtailed our dairy industry to such a degree that it will not even be able to meet domestic requirements.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, the Minister of Agriculture (Mr. Olson) has announced that dairy farmers will receive an increase in the price of some of their products. We are happy to note that there will be an increase. Certainly farmers' costs have continued to rise and any such increase will at least help to meet a portion of the increase in their costs. While we agree that there should be some management of dairy supplies, we advocate a more positive approach to the manufacture and sale of new dairy products similar to what has been done in Europe. We feel that the federal government should give more leadership in the manufacture and sale of new dairy products.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, first I would like to congratulate the Minister of Agricul-

ture (Mr. Olson) for his statement. We have not had too many chances to congratulate him in recent months, but I believe he is to be commended this morning for his motion providing that the Canadian Dairy Commission raise the price of both cheddar cheese and skim milk powder.

The purchase price of both skim milk powder and cheddar cheese will be increased by 4 cents. I hope, Mr. Speaker, that these steps will get the surplus to move rapidly in order to enable the government to allow farmers to increase their quotas. I believe that, at the present time, it is the quota system that creates more problems for the farmers.

The minister also tells us that the prices paid to milk producers are set by provincial agencies. According to the recent agreements, provincial agencies administer this sector, and I hope that the milk producers associations, the co-operatives and the federations will not use this increase to add to their expenses, but will pass it on to the producers. In fact, I am sure that the minister's first objective was to help the milk producer, who is today in such dire need of assistance. I hope that the new administrators of this sector, that is the agricultural federations and co-operatives, will offer better prices to the milk producers.

We are very happy with this statement and we hope, once again that the farmers will benefit from it while they are waiting for a higher subsidy in respect of quotas. If we want the farmer to get as fair a price as that paid for fluid milk, the government will have to consider increasing the price to $1.25 per hundredweight, which is the actual price paid for subsidized quotas, and this increase should not come into effect after March 1, 1971.

As I said, we are happy and I hope the farmers will benefit from this 100 per cent.

* * *

• (11:30 a.m.)

MANPOWER

SUMMER EMPLOYMENT FOR STUDENTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I beg the unanimous consent of the House in order to move a motion to discuss a matter of urgent and pressing necessity.

[*English*]

Yesterday the Minister of Manpower and Immigration admitted outside the House that the general economic situation is worse than a year ago, and that more students will be unemployed this summer than was the case last year. Student unemployment last year would have been 10 per cent greater if the federal and provincial governments had not provided makeshift programs which private business could not while it slumped under a government created recession.

In Manitoba the minister's manpower department is now training college graduates to become businessmen at a time when the government has declared that businessmen and their employees are surplus to government policy. Mr. Speaker, I move the following motion, seconded by the hon. member for Gander-Twillingate (Mr. Lundrigan):

That this House condemns the government for its policy of providing students with paper diplomas instead of paper pay cheques.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for South Western Nova. The hon. member requires the unanimous consent of the House in order to put the motion.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion cannot be put.

* * *

THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL COMPANY BY UNITED STATES COMPANY—INQUIRY AS TO STATEMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, last Tuesday the Minister of Energy, Mines and Resources said he would keep the House informed regarding negotiations between Home Oil and Ashland Oil. I wonder if he is going to make a statement on that matter this morning?

Mr. Speaker: Order, please. This kind of question should normally be asked during the question period and consent sought to revert to motions. However, the question has been asked and as the matter is of interest to the House perhaps the minister might reply to the hon. member's question.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I do not intend to make a statement on motions this morning.

ORAL QUESTION PERIOD

LABOUR CONDITIONS

INCLUSION OF UNEMPLOYMENT AND FINANCIAL ASSISTANCE TO PROVINCES ON AGENDA OF FEDERAL-PROVINCIAL CONFERENCE

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to direct a question to the Prime Minister. In

light of the deepening youth and student unemployment crisis and in light of the Minister of Manpower and Immigration's pessimistic projections for the next six months, will the Prime Minister now advise the House whether he will put unemployment and also the question of financial assistance to the provinces as the first priority on the agenda of the premiers' conference to work out a comprehensive job-creating program now?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I already confirmed yesterday in response to the Leader of the Opposition that this topic would be discussed at the federal-provincial conference on Monday and Tuesday.

Mr. Woolliams: In light of the fact that we now have mass unemployment among young people, and in light of the Minister of Manpower and Immigration's estimate that there will be 300,000 more students on the labour market this summer, what emergency employment measures has the federal government to recommend to the provinces at that conference? Could the Prime Minister briefly outline any new emergency legislation or new ideas or programs that he now has in mind?

Mr. Trudeau: Mr. Speaker, the conference proceedings are, at the request of all participants, in camera, and it would not be appropriate for me to tell the House what is going to transpire there.

Mr. Woolliams: Without disclosing any goodies he has up his sleeve, has the Prime Minister any suggestion to make to the provinces in regard to helping these young people, particularly the 300,000 students who are coming into the labour market on May 1 from our universities?

Mr. Trudeau: Mr. Speaker, the question is a repetition of the previous one read by the hon. member, but I can tell him I have no goodies up my sleeve.

UNEMPLOYMENT—PLANS FOR PROVISION OF SUMMER JOBS FOR STUDENTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in light of the statement made by the Minister of Manpower and Immigration yesterday, and in light of the statement by the Canadian Student Liberals about the deepening unemployment crisis affecting students, would the Prime Minister tell the House whether the government is working on new plans, first of all so that more students will be employed this summer and, second, so that students who do get jobs will be employed for more than one or two months as was the case with so many of them last summer?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, the government is working on plans for student employment this summer. I might say in reference to that publication that it very badly misquoted things I never said.

Inquiries of the Ministry

UNEMPLOYMENT—JOBS TO BE CREATED BY LOAN FUND TO PROVINCES

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, knowing that parliamentary secretaries are in the news these days I wish to direct a question to the Parliamentary Secretary to the Minister of Finance. In view of the crisis among young people generally across the country, which will deepen in the coming summer, can the parliamentary secretary state how many new jobs will be created by the $160 million loan fund made available to the provinces?

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I will bring the question to the minister's attention. The hon. member can be assured that it will be answered on a day when the Department of Finance is answering questions in the House.

Mr. Comeau: On a point of order, Mr. Speaker, that question was already taken as notice and I still do not have an answer. I thought the parliamentary secretary would have been interested and would follow it up.

FORECASTS OF STUDENT UNEMPLOYMENT IN 1971

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister. Has the government made any projections about the extent of student unemployment in 1971, and is he prepared to apprise the House and the country of the projections which have been made in order to give students, members of the public and members of the House of Commons an opportunity to make positive recommendations to the government to alleviate the problem?

Right Hon. P. E. Trudeau (Prime Minister): I know of no such projections, Mr. Speaker, but the Minister of Manpower and Immigration may have made some. Perhaps the question could be addressed to him.

Mr. Lundrigan: Mr. Speaker, I wonder whether the Prime Minister plans to render the Minister of Manpower and Immigration at least partly unemployed by lifting from him his duty and responsibility for the Wheat Board, so that he will have—

Mr. Speaker: Order, please. I regret very much that the question as asked is not in order. The hon. member appears to be making a submission or representation and as such I would not think the question is in order.

Mr. Lundrigan: May I rephrase my question. Will the Minister of Manpower and Immigration and of the Wheat Board or some other minister be designated to assume full responsibility for the unemployment problem in the country during a period when it has never been worse?

Mr. Trudeau: Judging by the question of the hon. member, the research staff of the Official Opposition must be partly unemployed.

Inquiries of the Ministry

Mr. Lundrigan: On a point of order, Mr. Speaker, judging by the presence in the House of just a handful of ministers today it looks like there will be a lot more unemployment. I would like to say, that the attitude of the Prime Minister—

Mr. Speaker: Order, please. The hon. member knows that he cannot engage in debate. The hon. member prefaces his supplementary by stating that he wants to say something. Unfortunately the rules provide that he may only ask a question and not make a statement. If he has a supplementary the Chair will allow the hon. member to ask it.

Mr. Lundrigan: I will not try to compete with the Prime Minister in being a smart-aleck.

Mr. Speaker: Order, please.

UNEMPLOYMENT—PLANS FOR PROVISION OF SUMMER JOBS FOR QUEBEC STUDENTS

Mr. Lorne Nystrom (Yorkton-Melville): In view of the fact that approximately 18 per cent of the student population in Quebec were unable to find jobs last summer and in view of the present circumstances in that province, can the Prime Minister state whether any plans have been made to rectify that situation this summer?

Mr. Speaker: Order, please. Perhaps the Prime Minister could reply to the question of the hon. member. However, I suggest to hon. members that the type of questions they are now asking should normally be answered by a general statement. The questions are very general. They may be pertinent, relevant and important, but they are phrased in such a way that normally they should be replied to by way of a statement. Having said that, the Prime Minister might reply to the question asked by the hon. member for Yorkton-Melville.

Right Hon. P. E. Trudeau (Prime Minister): I have no answer.

Mr. Speaker: There are a number of hon. members who have supplementaries, but perhaps we might return to those who have supplementaries in a short while.

Mr. MacInnis: I rise on a point of order. On a number of occasions it is the custom for the Chair to rule questions out of order. Does this not also apply to answers which are out of order? Should the Prime Minister not have been called to order on several of his answers today?

Mr. Speaker: Order, please.

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THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—GOVERNMENT ACTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources arising out of his promise on Tuesday that he would keep the House informed with regard to the negotiations which are going on between Home Oil Company of Calgary and Ashland Oil Company of Kentucky. Has an agreement virtually been reached which will leave the ownership of the company mainly in Canadian hands but place virtual control in the hands of Ashland Oil Incorporated of Kentucky?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, to the best of my knowledge agreements are either reached or not reached. There is no such thing as "virtually having been reached". I do not think I can do anything useful by disclosing the state of negotiations at this time. I will inform the House when I have something definite to report. In the meantime, I will continue to use my office and such authority as I have under the law to do what I can to maintain Home Oil as a Canadian Company.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On Tuesday, as recorded on page 2975 of *Hansard*, the minister stated:

> I have urged upon them the desirability of maintaining a majority Canadian ownership and Canadian control in this company.

Has the minister been successful in assuring himself that there will be continued Canadian ownership and Canadian control of Home Oil Company?

Mr. Greene: Mr. Speaker, I have no way of so assuring myself. Such is the case to date. As I stated, I will continue to do my best to assure that this situation continues.

Mr. Eldon M. Woolliams (Calgary North): I note that the minister has used the word "authority". Has he sought advice from the legal officers to determine whether he or his department or the government has the authority to interfere with this sale? I am thinking of the number of shareholders of this company across Canada and the effect on them and the company. Has the minister sought advice from the legal officers on the use of the same authority he used in connection with Denison Mines involving a completely different commodity, uranium?

Mr. Greene: In the case of Denison Mines, Mr. Speaker, it has been indicated that legislation will be brought before the House with regard to the ownership of uranium in Canada. If my understanding of the law is correct, this House can do anything except make a man a woman.

Some hon. Members: Oh, oh!

Mr. Woolliams: May I follow that up, Mr. Speaker? Now that the cat is out of the bag, is the government preparing legislation with regard to provincial fields where the federal government has no authority?

Mr. Greene: Mr. Speaker, any legislation that we propose will be within our authority and will be brought before the House in the proper manner.

INCREASED ACQUISITION OF IMPERIAL OIL SHARES BY STANDARD OIL OF NEW JERSEY

Mr. W. B. Nesbitt (Oxford): Is the minister looking into reports that in the last few months Standard Oil Company of New Jersey has increasingly been acquiring shares in Imperial Oil of Canada and is now reported to own 68 per cent of the shares of that company?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I am not familiar with those particular statistics, Mr. Speaker. I believe that over the years Standard Oil has, to the best of my knowledge, controlled Imperial Oil of Canada. It was my understanding that in past years a greater proportion of the stock of Imperial Oil had been made available to Canadians.

Mr. Nesbitt: Will the minister look into the reports that Standard Oil of New Jersey has been greatly increasing its holdings in Imperial Oil during the last two or three months?

Mr. Greene: I will be pleased to do that, Mr. Speaker.

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PUBLIC SERVICE COMMISSION

INQUIRY AS TO RESIGNATION OF CHAIRMAN AND/OR OTHER COMMISSIONERS

Mr. G. W. Baldwin (Peace River): I wish to direct my question to the Prime Minister. Has the government received the resignation of Mr. John Carson, the chairman of the Public Service Commission, and/or any of the other commissioners as a result of the way in which the government has fumbled the handling of the memorandum in connection with Francophones?

Mr. Speaker: Order, please. The question is not in correct procedural terms. The hon. member might like to rephrase his question.

Mr. Baldwin: I will restrain my feelings and not ask the last part of the question. Has the government received the resignation of Mr. John Carson, the chairman of the Public Service Commission and/or any of the other commissioners?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I had not received it when I left my office this morning. I will check when I return. I can assure the House that if I do receive a resignation I will turn it down and ask the member to reconsider because they should not be discouraged by the bungling of the opposition.

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CAPE BRETON DEVELOPMENT CORPORATION

PLANS FOR PROVISION OF EMPLOYMENT

Mr. Robert Muir (Cape Breton-The Sydneys): I have a question for the Prime Minister. In view of the concern

expressed by the Cape Breton Deaneries of the Roman Catholic Church and the Cape Breton Council of Churches regarding the severe unemployment problem which is reaching crisis proportions in Cape Breton, and in view of the alarm expressed by these bodies concerning the apparent inactivity of the Cape Breton Development Corporation in developing programs to alleviate this grave situation, will the Prime Minister consider making a statement, or having the appropriate minister do so, as soon as possible indicating the short and the long-term plans of the corporation? In other words, what is the blueprint for the future of Cape Breton in so far as Devco is concerned?

Right Hon. P. E. Trudeau (Prime Minister): I will take the question as notice, Mr. Speaker.

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CANADIAN CONSTITUTION

REPORTED AGREEMENT BETWEEN FEDERAL AND QUEBEC GOVERNMENTS ON REPATRIATION AND AMENDMENT

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a question for the Prime Minister. In view of the significance of the forthcoming meeting of Ministers of Justice, I have given him notice. Have the federal and Quebec governments agreed upon a formula for repatriation of the British North America Act and on an amending formula, as reported in today's Montreal *Gazette* in a Canadian Press story which states that the Quebec-Ottawa agreement has been worked out since last fall?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. I thank the hon. member for giving me notice. I must say that this story is incorrect. What is correct is that the federal government and the provinces have been carrying out the mandate given to them by the September conference which suggested that parallel to the work which was proceeding bilateral talks should develop between the federal government and the various provinces. Since that September conference we have carried out our mandate. There have been meetings with all provinces trying to find ways of progressing with the constitutional debate. Proposals have been put forward by Quebec, and indeed by other provinces, but no agreement has been reached.

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NATIONAL DEFENCE

PROTEST AGAINST SHELLING OF ISLAND OF CULEBRA BY CANADIAN FORCES

Mr. Andrew Brewin (Greenwood): My question is directed to the Prime Minister. Has the right hon. gentleman received a protest from the mayor of Culebra against the shelling of that island by Canadian forces and, if so, what response has he made to the protest?

Right Hon. P. E. Trudeau (Prime Minister): As a result of the news story I did check with my office and I had

received no such correspondence before entering the House. I know that the Minister of National Defence is prepared to deal with the substance of the matter if he is requested to do so.

Mr. Brewin: I would so request him, then.

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, I am advised that Canadian naval units were not in the vicinity of Puerto Rico on the date mentioned in the news story which appeared in the *Globe and Mail,* that is, January 21. They were on station and shelling on January 27 and 28. On the first of these days no difficulties arose and no helicopters were airborne. On the second day Canadian ships took their place on station after ships of other countries. The safety officer sent a signal indicating that ships should cease firing because there was someone on the range. A Canadian helicopter participated in a search, with United States aircraft, to see whether the person could be located. No one was located within the area and the safety officer gave instructions to resume firing again.

With regard to one aspect of the report, I might tell the hon. member that tear gas is not carried in the inventory of Maritime Command and at no time on the day in question did the helicopter land or drop anything on the range. These are the facts of the situation as communicated to me.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Can the minister assure us that exercises of this sort will not take place in future near places where people live?

Mr. Macdonald (Rosedale): This particular operation was carried out under the NATO Atlantic Command and the arrangements were made with the NATO states involved in the exercise. In this case the range was within the jurisdiction of the United States authorities; the question might be discussed with them, but it seems to me they are the sovereign authority in this case.

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ADMINISTRATION OF JUSTICE

COMMUTATION OF DEATH SENTENCE WITHOUT JURY RECOMMENDATION FOR MERCY

Mr. W. B. Nesbitt (Oxford): I have a question for the Prime Minister. In view of reports that the government has just commuted the death sentence of a convicted killer of a policeman, the first time this has occurred in the absence of a recommendation for mercy from the jury, will the government at least be honest with the people of Canada and make it clear that it has no intention of carrying out the existing law by presenting parliament with proposals for appropriate changes in the Criminal Code so that the people may at least have an opportunity to express their views on the subject?

Right Hon. P. E. Trudeau (Prime Minister): I cannot make that statement because the government does carry out the law and it will continue to carry out the provisions of the law. The law never did abolish the prerogative of mercy; it always rests with the Crown.

Some hon. Members: Hear, hear!

* * *

URBAN AFFAIRS

INQUIRY AS TO CONVENING OF FEDERAL-PROVINCIAL-MUNICIPAL CONFERENCE

Mr. Lincoln M. Alexander (Hamilton West): I wish to direct a question to the minister in charge of housing. It has to do with a statement he made, I believe, in June 1970, in which he indicated to the House that he intended to convene a federal-provincial-municipal conference early in 1971. In view of the increasing economic and social difficulties faced by our cities, involving housing, municipal affairs, welfare, urban transportation and high unemployment, and bearing in mind that numerous provincial and municipal representatives have actively sought discussions on these matters and that the cities will likely have no representation at the forthcoming conference, will the minister tell the House why he has not been able to call such a conference as he himself proposed? What has prevented him from doing so and does he still intend to call one in view of the urgency of the situation?

Hon. Robert K. Andras (Minister without Portfolio): I do not think I said I would convene such a meeting, Mr. Speaker. That, of course, would not be proper, since jurisdiction affecting municipalities clearly lies with the provinces. However, I did indicate the willingness of the government to be a party to three-level consultation arrangements. I believe I can say with confidence that this idea has been furthered in the course of informal talks with several ministers of municipal affairs and, more recently, by letter. When, precisely, these discussions will take place, and what form they will take, is a matter for the provincial ministers to decide, as is proper. I expect to have a more definitive response shortly.

Mr. Alexander: I believe that in June, 1970, the minister also indicated to the House—he will correct me if I am wrong—that he was prepared to establish a national urban council. I hope he is in a position to tell the House when he intends to have this organization set up, or, if not, what has caused the hold-up.

Mr. Andras: This is one and the same subject. The question of tri-level consultation was deeply embedded in the proposal for an urban council. It is one of the forms of arrangement to which I was referring and my previous comment as to the role played by the provinces applies to this as well. It is unquestionably dependent upon agreement between ourselves and the provincial governments.

Mr. Alexander: Is it possible for the minister to give an assurance that immediately after the forthcoming confer-

ence he will use his good offices, together with those of his colleagues, to see that negotiations are begun toward a solution of the problems faced by municipal and provincial authorities. It is the municipal authorities who appear to be hit hardest.

Mr. Andras: I do not think anyone could resist that proposition. It is a good suggestion. I might add that it would be helpful if the House could make progress with the government organization bill, so that at least that ministry could become legitimate.

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LABOUR CONDITIONS

UNEMPLOYMENT—REQUEST FOR DISCONTINUANCE OF JOB OPPORTUNITY ADVERTISING IN EUROPEAN NEWSPAPERS

Mr. Barry Mather (Surrey): I have a question I wished to direct to the Minister fo Labour or the Minister of Manpower and Immigration, but I do not see either in the House. Perhaps somebody else across the way could take it as notice. Having regard to the high level of unemployment, especially among our youth, may I ask whether representations have been received from British Columbia, for example, from the Parent-Teacher Federation of British Columbia, urging that what are described as misleading advertisements in European newspapers advertising job opportunities in Canada should be discontinued until such time as the present high level of unemployment has been reduced?

Right Hon. P. E. Trudeau (Prime Minister): I am sorry, I did not hear all the question. I understand that the ministers of the departments to whom it might be addressed are not answering in the House today. I will bring the matter to their attention.

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AIR CANADA

EFFECT OF ROLLS-ROYCE FINANCIAL DIFFICULTIES ON POSITION RESPECTING LOCKHEED AIR BUSES

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Transport. Has the recent fate of Rolls-Royce affected our position with respect to the Lockheed air buses and, if so, can the minister tell us whether he has taken steps to protect Air Canada's interest therein?

Hon. Donald C. Jamieson (Minister of Transport): I met yesterday with the chairman of the board of Air Canada to discuss this matter. It is still not clear whether the actions of the British government are such that Rolls-Royce will be able to continue its manufacture of that particular engine. We are watching the situation closely, especially as to the relationship between Rolls-Royce and Lockheed. I shall be glad to report as soon as there is anything definite I can say.

[*Later:*]

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, I have a question supplementary to a previous question. With regard to the Lockheed contract and the existing Rolls-Royce problems, can the Minister of Transport assure the House that Air Canada will keep a very close eye on possible alternative engines since Bristol Aerospace in Winnipeg has a very large contract that is crucial to employment at the company?

Mr. Jamieson: Mr. Speaker, it is not really a question of an alternative engine; the issue really becomes one of whether Lockheed itself will be able to proceed with this particular program in view of the apparent breakdown of its relationship with Rolls-Royce. If, however, for any reason the entire project should fail to proceed, then presumably Air Canada and other airlines will be looking for alternative types of aircraft and engines.

DISCUSSION OF EMPLOYEE LAY-OFFS WITH MINISTER

Mr. Thomas M. Bell (Saint John-Lancaster): In the minister's discussion with Air Canada yesterday was the question of employment taken up? I realize there has been action on this, but was there any word of a possible abatement of the program of lay-offs being undertaken by Air Canada?

Hon. Donald C. Jamieson (Minister of Transport): As I have already informed the House, I have taken the view that I should acquaint the board of Air Canada with the concern felt by the government and by parliament with respect to these lay-offs. I have done so. The chairman tells me that the matter is under discussion with the unions. I think this is the appropriate manner in which to pursue the issue. Other than saying they were discussing it he did not have anything specific to tell me on the subject.

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PENITENTIARIES

KINGSTON PRISON FOR WOMEN—INQUIRY AS TO CLOSURE AND TRANSFER OF INMATES TO PROVINCIAL INSTITUTIONS

Mr. David MacDonald (Egmont): I have a question for the Solicitor General. In view of the opinion expressed in the Ouimet Report and the recommendation of the commission appointed to consider the status of women that the prison for women in Kingston should be closed and its inmates transferred to provincial institutions and held there under federal responsibility, what steps are being taken by the Department of the Solicitor General to

effect such a move, and when can we expect the transfer of inmates to be completed and the institution to be closed down?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I have received a report from the internal commission of the department which is studying the Ouimet report, and I shall be in a position, in a while, to submit to the cabinet a proposal likely to improve the fate of women in penitentiaries.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

FAILURE TO ACCEPT CONCILIATION BOARD RECOMMENDATIONS ON WAGES AND JOB SECURITY

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Prime Minister. In view of the majority report of the conciliation board dealing with the wages and rules dispute between the Canadian Broadcasting Corporation and the Canadian Union of Public Employees, will the Prime Minister give the House some indication whether he is prepared to find out why the CBC is refusing to go along with the recommendations of the conciliation board on the key issues of wages and job security?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is not the usual practice of the government to interfere in the process of collective bargaining. I believe the Secretary of State has not made it a practice to do so.

Mr. Skoberg: Mr. Speaker, I have a supplementary question for the President of the Treasury Board. Will the President of the Treasury Board say whether he has been approached to provide any necessary funds that might be required for any wage and job security plans?

Hon. C. M. Drury (President of the Treasury Board): No, Mr. Speaker.

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ROYAL CANADIAN MINT

REQUEST FOR ROYAL COMMISSION INVESTIGATION

Mr. F. J. Bigg (Pembina): Mr. Speaker, I have a question for the Prime Minister in the absence of the Minister of Finance. On March 23, 1970 I rose in the House and asked for a royal commission to investigate the affairs of the Royal Canadian Mint. At that time, I was assured that all was well. Recent cases have been disposed of and others are pending, which indicates that all is not well. At least, all was certainly not well at the Royal Canadian Mint during centennial year. My question is: Will the Prime Minister look into this matter, since obviously the Minister of Finance has refused to do so in spite of the fact this is a branch of his own department? The matter is of such serious importance—

[Mr. MacDonald (Egmont).]

Mr. Speaker: Order. The hon. member has asked his question. Perhaps he would allow someone to reply to it on behalf of the government.

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, the Royal Canadian Mint now reports to me, not to the Department of Finance. The RCMP have made a complete investigation during the past year into both internal and external security arrangements. Many of their recommendations have been implemented and I think the security position is secure.

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NATIONAL DEFENCE

SUGGESTED EXPANSION OF MILITIA TRAINING PROGRAMS TO PROVIDE EMPLOYMENT

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is for the Minister of National Defence. In order to help the government find means of overcoming the problem of employment of students, would the minister seriously consider increasing the quotas and duration of student militia training this summer, increasing the training time for the reserve forces, and instituting a Canada wide special militia training program for graduate students, not only to alleviate unemployment but to provide all-round, purposeful development for our youth?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, we have had proposals very much like these under consideration for some time, and I appreciate the hon. member's interest in the matter.

INCLUSION OF ROLE OF RESERVE FORCES IN WHITE PAPER

Mr. Doug Rowland (Selkirk): Mr. Speaker, I have a supplementary question for the Minister of National Defence. Is it his intention to include within the white paper he is now preparing any reference to reserve forces and their role, in light of the fact that there is some confusion about the role of the reserve forces?

Hon. Donald S. Macdonald (Minister of National Defence): Yes, Mr. Speaker.

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TRADE

INQUIRY AS TO FORMATION OF MINERAL EXPORT CONSORTIUM

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct my question to the Minister of Industry, Trade and Commerce. Is consideration being given to the formation of an export consortium in the mineral industry? Could the minister also indicate whether the federal government is taking any initiative in the matter and what role

it might play with respect to sponsorship and participation?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I was about to get up and ask myself a question but it would not have been that one! The term used by the hon. member, "mineral industry", is really too wide for me to understand, but I will consult with him after the question period, clarify the question and answer it Tuesday.

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AGRICULTURE

PASSING ON TO PRODUCERS OF DAIRY COMMISSION PRICE INCREASE AFFECTING SKIM MILK POWDER

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the statement the minister made on motions today about the increase in the price of skim milk powder, has the minister received assurance from the other parties involved that this increase will indeed be passed on to the producers?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I very carefully avoided saying that because it would obviously prejudice the negotiation that has to go on between the provincial marketing agencies and the producers. What we do know is that the value of this manufacturing milk will be increased from 32 cents to 36 cents per hundredweight.

Mr. McKinley: Mr. Speaker, has the minister made any representations to the provincial marketing boards that most of the increase should be passed on to the producers?

Mr. Olson: Mr. Speaker, we fully expect that, as the hon. member says, most of it will be passed on, but I should like to avoid becoming involved in the negotiations.

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POST OFFICE

CONSIDERATION OF MAIL RATE INCREASE—REQUEST FOR DELAY

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the minister responsible for the Post Office and arises from his statement that he is contemplating a general increase in postal rates. Since the loss of revenue prompting this move results from the loss of business caused by deteriorating service under the former minister, would the minister, as an alternative solution, delay any increase until his new policies have had time to take effect?

Inquiries of the Ministry

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, I do not accept all of the premise to the question, but I do think that when we are faced with such a large deficit as is the case this year the minister in charge of the Post Office would only be acting responsibly if he were to look at the question of increasing rates.

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TRANSPORT

ACCIDENTS—REQUEST FOR REFERENCE OF SUBJECT TO COMMITTEE

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of Transport. In light of the indication he gave the other day in response to a question that he would welcome an opportunity to look into the procedure respecting the investigation of transportation accidents in Canada, and in view of support from such groups as the Airline Pilots Association, would the minister consider referring this subject matter to the Standing Committee on Transport and Communications for review perhaps some time in the fall?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am not at all certain that that is the appropriate forum. I think this is a matter that requires a good deal of expert—in the precise meaning of the word—advice. I had meetings on the matter last night with a number of authorities in an effort to seek possible alternative ways of proceeding, and I would welcome representations from the pilots association or from anybody else. I have stated that we are not adamant on present procedures but that we would want to be sure that what comes after will be as good or better.

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CANADIAN PACIFIC RAILWAY

REQUEST THAT MINISTER INFORM COMPANY OF PENSION INCREASES FOR RETIRED CANADIAN NATIONAL EMPLOYEES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Transport. In view of the welcome announcement that the minister was able to make this morning concerning increases in Canadian National pensions, and in view of the fact that this House is as anxious about Canadian Pacific pensions as it has been about those of the Canadian National Railways, would the minister make that fact known to the Canadian Pacific Railway in his own persuasive manner?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I shall be glad to make it known, but I am sure the hon. member recognizes there is some slight difference in the relationship.

Inquiries of the Ministry

[*Translation*]

INDIAN AFFAIRS

LENNOX ISLAND RESERVE—SAFE MEANS OF TRAVELLING TO MAINLAND

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, last Tuesday the hon. member for Egmont asked me a question with regard to the Lennox Island Indians.

In actual fact, we have received new estimates which are much higher than former ones. I have had to ask the engineers of the department to submit plans that are less costly than the ones formerly submitted.

[*English*]

Mr. David MacDonald (Egmont): Mr. Speaker, may I put a supplementary question to the minister. Could the minister inform the House whether he or his officials have been in touch with the chief of the band council on Lennox Island with regard to this matter? As I understand it, the band council was informed earlier that construction would definitely proceed this spring, and I think they are having considerable difficulty at the moment with regard to this matter.

Mr. Chrétien: Probably there was a misunderstanding between those who have communicated. We have received estimates, but we find these estimates too high so we have to revise the plans. I do not think we will be in a position to proceed as soon as we wanted.

Mr. MacDonald (Egmont): I have a supplementary question.

Mr. Speaker: Order, please. I wonder whether the hon. member would take note of the fact that we are running short of time. Perhaps the hon. member for Egmont might ask a very brief supplementary and we will then move on to the hon. member for Lisgar.

Mr. MacDonald (Egmont): Mr. Speaker, I wonder whether the minister, in view of these difficulties, would be prepared to provide some form of interim transportation during the difficult spring breakup which almost always causes the death of innocent individuals?

[*Translation*]

Mr. Chrétien: Mr. Speaker, we are well aware of the danger with which we will have to cope in the spring. I can assure the hon. member that we will take all the necessary steps, so that there will not be any loss of life during the spring thaw.

[*Later:*]

[*English*]

Mr. Len Marchand (Kamloops-Cariboo): Mr. Speaker, I have a supplementary question for the minister of Indian affairs. I wonder whether his officials are or will be discussing with the Indians of Lennox Island the possibility of moving to another area that is more accessible in light of the fact that studies indicate the cost of a causeway would be very high?

[*Translation*]

Mr. Chrétien: Mr. Speaker, we are trying to find some means to build a more adequate bridge. However, if it is not possible to do it inexpensively, I will feel that the hon. member has made an excellent suggestion.

* * *

[*English*]

ST. LAWRENCE SEAWAY

PLANS TO INCREASE TOLLS

Mr. Jack Murta (Lisgar): Mr. Speaker, my question is for the Minister of Transport and concerns the recommendation of D. William Carr and Associates that tolls be increased on the Canadian segment of the St. Lawrence Seaway. Will the minister say whether there are plans to increase tolls on the seaway effective with the upcoming seaway shipping season?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have already made it very clear, and I welcome the opportunity to do so again, that there will be no change in the toll structure during the upcoming season, as he calls it—that is the 1971 season—nor has there been any decision by the government or by any other agency with regard to increasing tolls. What we have done has been to make the report available and invite public comment. No decision will be made until after that comment has been received.

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TRANSPORT

MAINTAINING OF CANADIAN COASTGUARD COLLEGE AT PRESENT LOCATION

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Transport. In view of the recent disastrous fire in a portion of the quarters used by the cadets at the Canadian Coastguard College, and since this college was placed at its present excellent location to assist with the unemployment problem in Cape Breton, can the minister assure the House, the leaders of the municipalities concerned and other groups, that the government has no plan, now or in the forseeable future, to change the locale of the college?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as to the first part I can say we have no immediate plans to change the location. We have been successful in keeping on with that course in spite of the loss of some of the buildings by fire.

The whole question of the future of the Canadian Coastguard College is now being examined and I can

assure the hon. member that the present location will be given every consideration in this decision which is a fair distance in the future.

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AGRICULTURE

FARM MACHINERY PRICES—INQUIRY AS TO BARBER COMMISSION FINAL REPORT AND LEGISLATION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Minister of Agriculture. In view of the fact that farm machinery prices are continuing to rise in Canada, can the minister now say when he expects a final report from the Barber commission on the prices of farm machinery, and when he expects to bring in legislation?

Hon. H. A. Olson (Minister of Justice): Mr. Speaker, Dr. Barber has completed his work and I expect the report will be available shortly. So far as legislation to follow it is concerned, I think if any legislation is required within the area of federal jurisdiction we will want to look at the report very carefully.

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[*Translation*]

ROYAL CANADIAN MOUNTED POLICE

INQUIRY AS TO LANGUAGE APTITUDE TEST AFFECTING PROMOTION

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, yesterday the hon. member for Swift Current-Maple Creek asked me whether a directive had gone out to members of the Royal Canadian Mounted Police stating that they must take an aptitude test, be bilingual and willing to serve in a Francophone environment.

There has been no such directive. In practice, tasks are assigned to constables and officers of the RCMP as required and when an Anglophone has to serve in a Francophone environment, or vice versa, we offer him every facility for becoming bilingual.

It must also be said that in the RCMP bilingualism is a factor of efficiency, and that we consider it to be an advantage when a member is able to at least understand or speak a third language, as this can be helpful in the kind of work to be carried out.

* * *

[*English*]

FISHERIES

REQUEST FOR ASSURANCE THAT DEPARTMENT WILL NOT BE DOWNGRADED

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Minister of Fisheries. In the interests of the fishermen of British Columbia, Quebec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland, will he give an assurance to the House that the Department of Fisheries will not be downgraded to the point where we will not have a full-fledged Minister of Fisheries in the House of Commons after Bill C-207 becomes law?

Mr. Speaker: Order, please. I suggest the hon. member is anticipating an order of the day. He is attempting to bring into the question period a debate which is taking place currently in the Committee of the Whole, and which has taken place in the House on second reading of the bill. I assume if the bill passes the committee stage and returns to the House for third reading, it will be debated again. In those circumstances, I do not think the question is in order.

Mr. Lundrigan: I will rephrase my question, Mr. Speaker, and ask the Prime Minister if he will be present in the House in the future when his Bill C-202 is being debated?

Mr. Speaker: Order, please. Orders of the day.

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT OF PROVISIONS RELATING TO ARREST AND BAIL

Hon. John N. Turner (Minister of Justice) moved that Bill C-218, to amend the provisions of the Criminal Code relating to the release from custody of accused persons before trial or pending appeal, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: This bill presents to the House proposals for bringing about fundamental changes in the law in respect of powers of arrest, pre-trial detention and bail. Hon. members may recall a statement I made to this House during the debate on the Public Order (Temporary Measures) Act on November 4, 1970, when I said some of the measures we had to adopt under that Act for a short term were and are philosophically abhorrent to us.

I said that as soon as we could, I intended to turn once again along the road of law reform and continuing enhancement and protection of civil liberties. I am pleased to be able to fulfil that undertaking to the House today, as I believe I did when I introduced, a week or so ago, the statutory instruments bill which has now received approval of this House on second reading and been referred to the Standing Committee on Justice and Legal Affairs.

The statute law regarding bail has historical origins that date back to the English Bill of Rights of 1689 which states: That excessive bail ought not to be required, nor

excessive fines imposed, nor cruel and unusual punishments inflicted. This wording was adopted with very little change by the United States and now forms the substance of the 8th amendment to the constitution of that country which was ratified in 1791.

The language of our Canadian Bill of Rights, for which the right hon. gentleman, the hon. member for Prince Albert (Mr. Diefenbaker), deserves the gratitude of his country—and I am delighted to see him in the House—guarantees also that no law of Canada, unless it is expressly declared that it shall operate notwithstanding the Canadian Bill of Rights, shall be construed and applied so as to deprive a person charged with a criminal offence of the right to reasonable bail without just cause.

• (12:20 p.m.)

The attitude the ordinary man and woman in our society holds about our law does not result merely from what we do in this Chamber to reform the substance of the law. It depends, in great measure, on the proceedings which he or she encounters if brought into contact with the law. At root, the attitudes of ordinary men and women in this country are based on the first contacts that they have with the local law enforcement authorities, with the local police force or local criminal court. This bill is directed at making that first contact between citizens and the criminal judicial process less abrasive.

In this age of confrontation, law enforcement agencies the world over are required to deal with a complete spectrum of problems that run from so-called misdemeanors or petty crimes such as theft, assault and so on, through to new and sophisticated ranges of crimes that border on civil disobedience and all the way to violence and organized, syndicated crime. We, as legislators, have the duty to provide the police with the flexibility that they need to meet whatever particular situation is at hand and to meet it, of course, with measures that are effective in restoring order and in preserving public order; yet, these must not amount to overkill, with the resultant destruction of the rapport, public support and community identity which police forces across Canada are striving, I believe, to achieve. This rapport, this consensus, this feeling of necessary community identity between our law enforcement authorities and the people who entrust them with the preservation of freedom and order under law, is the only continuing basis for sustaining the rule of law in our country.

The initial decision to arrest is the decision that activates and initiates the entire criminal law process. It is a decision involving a certain administrative discretion. It is a decision which involves, as Henry Culp Davis, of Stanford University has said, an invisible, low profile discretion that is not easily understood nor seen by the average person. As a matter of fact, the adversary process, as we understand it in criminal law, only comes into play if a charge is laid and not at the time an arrest is made, a summons is issued, or a warrant is issued from the bench. The arrest is the citizen's first confrontation with the criminal law process. The way it is done or the fact that it is done may well have a determining influence on that citizen's reaction to the law generally and to the criminal-legal process in particular for the rest of his life.

I believe it to be a fact, Your Honour, that at present in Canada many persons are unnecessarily subjected to arrest.

Mr. Woolliams: Such as, under the Public Order Act.

Mr. Turner (Ottawa-Carleton): And I believe that there are other means, such as a summons, which might be perfectly adequate to secure the ends of justice. I believe that we can in many cases avoid the indignity and embarassment that begins with arrest. At the moment the only alternatives open to a peace officer who has reason to believe that a crime has been committed are, first, to arrest without warrant or, second, to go before a justice of the peace and lay a charge, at which time the justice of the peace decides whether to issue a summons or to issue a warrant. The suspect may be arrested without a warrant or arrested under the authority of a warrant issued by the justice of the peace.

Professor Martin Friedland of the University of Toronto Law School has pointed out in a study he made and incorporated in a very important book entitled "Detention Before Trial" that a summons was used in only 10 per cent of the cases studied, although most prominent criminal lawyers in the metropolitan area who had studied this question were of the opinion, on the basis of their own practice, that a summons was used in at least 40 per cent of the cases. Furthermore, notwithstanding the intention of the Criminal Code that arrests are to be made primarily only after a warrant had been issued by a judicial officer in ordinary cases, arrest without a warrant was in fact made in over 90 per cent of the cases.

Mr. Woolliams: Did the minister say 100 per cent?

Mr. Turner (Ottawa-Carleton): No, in 90 per cent of the cases where an arrest was made.

There are a number of changes in the law of arrest that I feel to be desirable. First of all, I believe that a peace officer, a policeman, presently lacks sufficient statutory flexibility or the statutory guidelines that would help him in judging whether or not an arrest should be made. In order to avoid unnecessary arrests, the peace officer, surely, should be obliged not to arrest without a warrant where he has reasonable and probable cause to believe that the public interest may be secured by proceeding other than by arrest. An exception would be made in cases of murder and certain very serious offences against public order.

Second, a justice of the peace, at the moment, before whom a charge is laid has an unfettered discretion to issue a summons or a warrant. I believe that the present vague and inarticulate situation should be replaced with statutory guidelines which would oblige the justice or magistrate to issue a summons, except where a warrant, and hence an arrest, may be necessary in the public interest.

Third, I believe that the police also suffer under our present law from a lack of statutory direction regarding the issuance of a summons. In my view, the law should authorize a peace officer, where a minor offence has occurred, to issue on the spot to the alleged offender a form of summons which might be called, and which is so-called in the present bill, an "appearance notice." This would be very much like an ordinary traffic ticket, and would require the accused to appear at a later date specified in the notice, and he would be subject to penalties if he were not to appear.

Let me now turn to the present situation, as I see it, regarding bail. The processes of arrest and of bail are interrelated. If an arrest is not made, of course bail is not required. If an arrest is made, then the process of bail comes into play. At present, a large number of those arrested are taken into custody. Professor Friedland, in the study to which I referred, demonstrated that of those arrested, 85 per cent were held in custody until their first appearance before a magistrate. But it is this custody period which is really the source of the indignity and embarrassment of the administration of criminal justice, because there is a serious social and legal price attaching to a decision to arrest and hold in custody.

There are the possible effects of custody on the outcome of the trial and on the sentence of the accused if he is not released pending trial. I do not want to attach too much importance to the statistics that I have seen from certain areas in Canada, and in the United States, about the effect of pre-trial detention on the outcome of the trial itself. It may be that there is not an exact cause and effect relationship, as alleged, or as may apparently be borne out by some statistics. But there is an indication that those who are held under pre-trial detention will have, on the basis of statistics, a lesser opportunity for an acquittal and, certainly, they will have less of an opportunity to present a reasonable defence and assemble the evidence necessary for that defence. I think that we cannot ignore, either, Mr. Speaker, the high incidence of guilty pleas by persons who are detained and kept in custody under pre-trial detention. I think there is the possibility, and we cannot ignore it, of improper treatment while in custody and prior to trial. There is the possibility of delay and inconvenience in attempting to raise bail, particularly in view of present financial considerations attaching to the order for bail. There is the opportunity for the accused to become enmeshed with a legal bondsman. Also, generally, there are all the personal considerations to take into account, such as loss of employment, loss of income, loss of protection for the accused's family, the anxiety of relatives, friends and so on.

• (12:30 p.m.)

Every member in this House has had some reason to be painfully aware of this, either because there are many of us here who have practised law or because some of us have had to intervene on behalf of someone not able to obtain bail. Under the present law, a judge or magistrate has no real guidance as to how or indeed whether to allow bail to an accused, nor is there any express provision in the Criminal Code stating whether it is the Crown or the accused who bears the burden of proof on a bail application, whether it is up to the Crown to show cause why bail should not be granted or whether, on the other hand, it is incumbent on the accused to show why he is entitled to bail. In doubtful cases, the place where the burden lies may be influential in determining whether bail is granted or withheld.

The corollary to these vague formulations that are now found in case law is that bail of some kind has in practise been required in virtually all cases. The process of bail has been conducted in a rather mechanical fashion, where there has been no meaningful attempt by the judge to determine the likelihood of flight from trial and the predictability of whether the accused will show up for the hearing which, after all, is the main consideration which ought to be before the magistrate or judge at the time of a bail hearing.

The defects of present bail procedures are serious and have been widely documented. First of all, it is obvious that to demand of a poor person any significant amount of bail, either in cash or by way of other security, is tantamount to a requirement that he remain in custody until his trial. Money bail or cash bail in these instances amounts to preventive detention. Second, a wealthy or influential or professional accused is usually able to produce bail with little or no difficulty. Yet, there is no evidence so far as I can find that wealthy people are more prone to show up for their trial than those without influence and without wealth.

Mr. Woolliams: It worked the other way with Banks.

Mr. Turner (Ottawa-Carleton): Accordingly, the almost universal requirement of bail results in bail for the rich and preventive detention for the poor, without any determination of the real question which I believe should always be before the mind of the court, namely, will the accused appear for his trial. It is not unknown for bail to be put up by a bail bondsman in return for a fee, rather than by the accused himself. Thus, often the real responsibility for seeing that the accused shows up for the trial does not rest with the accused but with the bondsman. Again, bail is regularly set in many if not most, jurisdictions solely by reference to the gravity of the offence with which the accused is charged, rather than being based on an evaluation of the personality of the accused himself, of his identity with the community, and the chances of his appearing for trial.

Finally, although a subsidiary objective in pre-trial detention but a very important one if you weigh the rights of the individual against the right of society to protect itself—the first consideration should be whether or not he will show up for his trial—the second consideration should be whether or not, if he is allowed to go free on bail he will detrimentally affect the public interest, perhaps engage in serious anti-social conduct prior to trial. But I believe that at the moment the decision to set bail on grounds of the public interest is often not accompanied by any evidence or finding of potential danger to

society from the accused or evidence of his tendency to commit or recommit an offence. As a matter of fact, it puts the judge or magistrate in the indelicate position of attempting to predict whether or not a crime will be recommitted or whether or not the accused has a proclivity to crime, and this may again result in a purely mechanically imposed judgment.

The provisions which the government is submitting to Parliament for its approval are based on the belief that the personal freedom of the individual should be interfered with by the state only where such interference can be proven by the state to be necessary to protect the larger interests of society as a collective whole.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): I believe we must go farther than that. I believe that we have to give the courts and the police reasonable guidance on what we mean by the public interest. I believe that we have to support legislation which will diminish personal freedom only when any restrictive measures will in fact result in protecting the public interest. This balance in any given situation or under any particular law which tests the rights of the individual against the rights of society is the most difficult balance that a legislature has to achieve. Certainly, in individual cases, the most difficult decision that a judge and jury as well as police and magistrates have to make, particularly at the arrest and bail stage is, the rights of the accused and the rights of society. These judgments are human, and the balance between liberty on the one hand and the security of the state or maintenance of public order on the other, requires the most difficult human judgment that men and women are called upon to make. There is no need for me to underline to the House how difficult it is to make such a judgment, but I believe that we have to make it if we are to reconcile authority with freedom.

The objectives of this bill are fourfold: First, to avoid unnecessary pre-trial arrest and detention; second, to ensure that in cases where arrest with or without warrant has taken place, the person accused, whatever his means, is not unnecessarily held in custody until his trial; third, to ensure an early trial for those who have been detained in custody pending trial; fourth, to provide statutory guidelines for decision making in this part of the criminal law process relating to arrest and bail and thereby preclude the possibility of "discretionary injustice".

The provisions of the bill place an onus on police officers not to arrest a person where the public interest can be satisfied by less stringent measures. The other options available to the police officer would be the summons procedure that is already in effect under the Criminal Code as well as a new procedure which will involve the issuance of a new type of summons defined in the bill as an "appearance notice". The appearance notice will instruct an accused where and when to attend court and may be issued on the spot by the police officer on the beat or in the car, or following an arrest if an arrest is in fact made.

[*Translation*]

A bill relating to bail reform was previously given first reading on June 8, 1970, just before the last session of Parliament adjourned. At that time, I observed that there was little prospect of its being passed before Parliament adjourned for the summer recess. I said then that I was most anxious that it be made public now in order that the provincial authorities who are charged with the primary responsibility of enforcing the Criminal Code would have a full opportunity to study the proposals before the bill began its passage through Parliament.

I have discussed the bill at the meeting of provincial Attorneys General in Halifax, last July, and with various police organizations including the Canadian Police Association and the Canadian Association of Chiefs of Police.

In addition, the bill has received detailed study by the criminal law section of the Conference of Commissioners on Uniformity of Legislation in Canada.

In September there was a meeting of the Canadian Bar Association. Constructive criticisms were made on the first version of the bill. Also I received many comments from hon. members and I am much obliged to them.

In expressing my thanks for the various observations made on the bill, I must point out that while I have adopted those suggestions that I am satisfied assisted in achieving a clear and workable law, I have maintained intact the basic principles and objectives of the legislation as I enunciated them on June 8, 1970.

So the following is among the most important changes made since the June bill.

Under the June version of the bill, both the officer on the beat and the officer in charge of the police station would have had to rely entirely on their own judgment as to what "the public interest" required in relation to the arrest and the release of accused persons.

The new version of the bill before the House recognizes explicitly that decisions by the police may have to be made under difficult conditions, and spells out guidelines which should be taken into account by them in making their decision. If, for example, a person who is found committing any offence or who is, on reasonable and probable grounds, believed to have committed an indictable offence, exercises his right to refuse to properly identify himself, the officer is justified in arresting him. Similarly, an arrest is justified where the offence involved requires a search of the person or where, if the person were not arrested, evidence would likely be lost or destroyed; and again, where it is clear that, unless the person involved is taken into custody, the crime being committed will be completed or another crime committed.

A main objective of the new amendments to the Criminal Code to avoid unnecessary arrest and, if arrest is necessary, to ensure early release from custody in appropriate cases. To help achieve this aim, new duties are placed on the police to direct their minds to what the public interest requires. However, it is not the intention of the legislation to jeopardize the community by dis-

couraging proper and efficient law enforcement by the police. For this reason, the new bill expressly provides that an arrested person who contends either that the criminal proceedings against him should have been commenced in some other way, such as by summons, or that he should have been released earlier by the police, must demonstrate that the police did not carry out their new duties properly if he is to recover damages against them in civil proceedings.

• (12:40 p.m.)

[*English*]

Turning now to bail, Mr. Speaker, the Criminal Code itself does not at present, as I have already said, offer any real direction on the approach to be taken by justices of the peace in admitting an accused to bail or as to the burden of proof on the matter of bail. The new proposals, I believe, remedy the defects of the existing law in the following respects: first, the new general rule is that an accused person should be released simply upon giving his written undertaking to attend court as required for the purposes of his trial. Second, the burden is expressly placed on the prosecutor to justify either any more onerous form of release than a mere undertaking, or the detention of the accused in custody pending his trial. Third, the detention of the accused in custody pending his trial is justified only on the following grounds, and without wishing to trespass on the rules of the House here I would like to refer to the proposed new section 445A(7) which is to be found at page 24 of the bill:

—the detention of an accused in custody is justified only on either of the following grounds, namely:

(a) on the primary ground that his detention is necessary to ensure his attendance in court in order to be dealt with according to law; and

(b) on the secondary ground...that his detention is necessary in the public interest or for the protection or safety of the public, having regard to all the circumstances including any substantial likelihood that the accused will, if he is released from custody, commit a criminal offence involving serious harm or an interference with the administration of justice.

This drafting is different from the drafting of any bail law, seeking reform, in the United States. It is also different from the bail reform act of the United Kingdom. I wanted to make it perfectly clear that the primary ground was whether or not the accused would show up at his trial, and that the secondary ground would be whether the public interest would be protected, focussing the mind of the magistrate first on the rights of the individual and secondly, but only secondly, on the rights of society.

The second ground takes proper account, I believe, of the need to protect the public interest, but at the same time it affords the courts guidance against too broad an interpretation of the provision of protection for the safety of the public by using terms like "substantial likelihood" and a "criminal offence involving serious harm."

The proposals in the bill permitting a justice to impose reasonable conditions on the person released are an additional encouragement to pre-trial release. Moreover, under the new proposals where the accused is released by the justice, the terms of his release continue right up to the conclusion of his trial. They do not have to be renewed. Of course, they can be varied if the conduct of the accused so militates in favour of their being varied, but they do not have to be automatically renewed.

Finally, there is a review procedure at every stage of the proceedings whereby the action of a sergeant at the desk, the action of a justice, and the action of a judge can be reviewed right up to the court of appeal.

Moreover there are important new proposals in the bill which provide that where an accused does not achieve bail after an arrest, there are methods for expediting his trial. These are not found in the present Code. There are full measures for appeal. The basic test in a case of bail is that if an accused on bail has lost his trial at first instance and then appeals, he is entitled to have his bail renewed if he is able to establish that his appeal is not frivolous, that he will surrender himself into custody as required, and his detention is not necessary in the public interest.

It is significant that in their practical operation, the provisions of the bill place an onus on the police to initiate action in the first instance to grant bail. No application by the accused is necessary. I believe this is important because the average citizen, the average layman, does not really know what his rights may be, and the obligation under the bill is on the police, the law enforcement authorities, to institute the procedures for bail. The bail reform bill will require police officials to make a first assessment as to whether or not an accused should be held in custody, and this will not require any initiative on the part of the accused who, as I have said, may be unaware of the procedures available to him.

The provisions of the bill also ensure that where an accused is being held in custody pending his trial, or pending an appeal of his conviction, the situation must be reviewed by the courts within set periods of time, and directions may be given by the courts for getting the case on to trial, or for review proceedings by way of appeal. Corresponding, of course, to the right of the citizen to receive fair treatment and respect in the legal process, it is his duty reciprocally to honour that same process. A good deal of what we are trying to do in bail reform requires the voluntary appearance of an accused at trial. Correspondingly, I believe that if this undertaking to appear voluntarily is not met by the accused, without just cause, that ought to be an offence. There has to be an obligation placed upon the citizen in return for the added scope that we are giving individual rights and therefore failure, without lawful excuse, to comply with process issued by the courts or issued by the police, and confirmed by the justice, is an offence under this bill.

• (12:50 p.m.)

Under the June version of the bill, failure to attend court when required to do so would simply have been a

summary conviction offence. Under the new version of the bill, a first such offence will remain a summary conviction offence only, but in the case of a second or subsequent offence, the Crown will have the option of proceeding by way of indictment. Obviously, if the charge is indictable, failure to appear the second or the third time should be given the same measure of penalty. Otherwise, the deterrent is no longer there.

Generally speaking, the courts in deciding what sentence to impose on a person convicted of an offence take into account the time he has spent in custody awaiting trial. However, under the present Criminal Code, a sentence commences only when it is imposed, and the court's hands are tied in those cases where a minimum term of imprisonment must be imposed. In such cases, therefore, the court is bound to impose not less than the minimum sentence even though the convicted person may have been in custody awaiting trial for a period in excess of the minimum sentence. The new version of the bill would permit the court, in a proper case, to take this time into account in imposing sentence.

I want to draw to the attention of hon. members that cash bail in this bill is only a last resort. The provision under the present Criminal Code whereby an accused person can be required to deposit cash or valuable security as a condition of his release on bail can in many cases operate harshly against poor people. One of the objects of these new amendments to the Criminal Code is to restrict the circumstances under which a person could be required to deposit cash or valuable security as a condition of his release pending trial by providing that cash bail could be required only where the alleged offender was not ordinarily resident in the community where he was in custody.

I am suggesting to the House and the country that there are cases where a person does not live in the community where he is arrested and has no means of identification, community identity or ability to prove to the court that he will appear for his trial. In such a case the only security or evidence of good faith he could adduce would be cash bail. Even in those cases it is not encumbent upon the justices to insist on cash bail, but the justices are required to go through the same process of reasoning under the general terms of the bill. There is sometimes less guarantee that an accused will appear for his trial when he lives a good distance from the court. He may live out of the community, province or country. He should be given the opportunity to provide cash bail as an added guarantee of his faith.

I wish to stress that because the bill will bring about major changes in the law of arrest and bail, extensive education will be necessary to train the police of this country in the new procedures. It will be necessary to provide guidance for judges, magistrates, Crown prosecutors and defence counsel in the practical implementation of these new procedures.

At the annual meeting of the Canadian Association of Chiefs of Police in London, Ontario, last September, I urged them to begin initial planning for the training that will be required. While this bill is simple in intent, it will be somewhat more complex in implementation. Education of the police and thorough briefing of magistrates, judges, Crown prosecutors and defence council will be necessary for the effective implementation of the new proposals.

I have asked the provincial Attorneys General to be prepared to update the manuals now used by magistrates, justices of the peace and police officers. I did so because I believe that it is imperative that the proposals become part of the routine procedure of the criminal judicial process as soon as possible.

I look forward to defending this bill in the Standing Committee on Justice and Legal Affairs. I will welcome constructive suggestions from that committee and from the House at the report stage. I have enjoyed my association with the Standing Committee on Justice and Legal Affairs. I believe that for the past two and a half years, on behalf of Parliament and the people of Canada, this committee has dealt competently with a good deal of legislation. I think the record compares favourably with that of any other committee of this House, past or present. I want to thank the hon. member for Welland (Mr. Tolmie), the chairman, and the members of that committee. I just have three more minutes, Mr. Speaker.

Mr. Brewin: Talk it out.

Mr. Turner (Ottawa-Carleton): The Bail Reform Act recasts some of the law dealing with arrest and most of the law dealing with bail for the first time since Confederation. The real defect of the present provisions of the Criminal Code is that they are too short on precision and too long on discretion. Power to arrest and authority to release are conferred in such broad terms under the present law that the means by which they are exercised in practice overshadow the purposes for which they are granted. The consequence is a widespread, and I do not say deliberate, but unheeding misuse of power and authority. In the nature of things, the impact of this misuse is felt mainly by those, guilty or innocent, who are least equipped to alleviate for themselves the consequences of the unreasonable use of authority. Because of poverty, a lack of education or a lack of influence, they are unable to bring the necessary counter pressure to bear on their own behalf. For them, this bill will be a statutory voice equalizing their opportunities before the courts.

It is an attempt to emphasize that, as the power to fetter the individual is given for use only in the interests of the country, the sole test by which the limits and the fair use of that authority are to be measured is the extent to which its exercise is needed in the public interest. Arrest and detention are not designed to be an informal means of rough justice or anticipatory punishment for the untried. Their purpose is not to usurp the function of the trial or to block or modify the right of every accused to have his case determined under the rule of law. That there should be a need to restate the limits of the power of arrest, and the need to restate the justification of the authority to detain, is in a large

measure caused by the lack of specification and precision in the present Criminal Code.

This bill, therefore, attempts to rechannel the law to guarantee the least possible pre-trial interference with individual liberty that is consistent with the proper administration of justice and the interests of the public.

Mr. McCleave: Mr. Speaker, the minister is obviously in a much happier frame of mind presenting this civilized legislation this morning than on an earlier occasion this year. Perhaps I could call it one o'clock, Mr. Speaker.

Mr. Deputy Speaker: Order. It being one o'clock I do now leave the chair. The House will resume sitting at two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I believe there is a general disposition to see whether we cannot get the bill into committee before the end of the afternoon. In the circumstances, my remarks will be somewhat shorter than they would normally be. I point this out because the minister has made a long, reasoned and interesting opening statement and I would not want to appear to be doing a discourtesy to his splendid effort. If it would warm the cockles of his heart, I might say that the right hon. member for Prince Albert (Mr. Diefenbaker) will shortly be entering this debate, and he, with his vast experience of human freedom and liberties, will be providing the frosting on the cake for this particular party.

May I make a few observations about the bill itself? It is an attempt to strike a balance between the rights of persons involved with the law and the protection of the public. As the minister has stated, the law under which we operate at present in this field has been in effect for almost a century, and change is long overdue. The hon. gentleman made reference to the question of the protection of society from those under arrest when they apply for bail, and the considerations which should guide a court when determining whether these people should be allowed on the loose between arrest and trial.

• (2:10 p.m.)

This is a fearfully complicated problem, I suggest, because every once in a while we read stories about horrendous crimes being committed by those who are free on bail. While Canada has a reputation perhaps for being overly zealous about keeping people in prison, one sometimes wishes more people of a certain kind were kept in prison. But how to determine whether a person charged with a crime is likely to commit another crime if freed while awaiting trial would probably defy the wisdom of a Solomon.

One practical remedy has been suggested, one that the bill does not include. I refer to the remedy that appears in the Ouimet report, which is the backbone of the measure we are considering today. The Ouimet report recommended that there should be a central registry in each province so that a court could quickly determine something of the background of a person who is charged with an indictable offence and is asking the court for bail. Either when the minister closes the debate or when the bill is dealt with in the justice and legal affairs committee, I think we should be given an explanation why this rather important element is missing from the bill. I suppose we will be confronted with the explanation that this is really a matter for the provinces. I do not know whether that will be the case, but the Ouimet report did suggest one practical method for dealing with bail applicants who have been charged with serious offences.

Another point which should be made is that we simply do not have sufficient statistics of a comprehensive nature regarding the likelihood or unlikelihood of persons who are released on bail committing further offences. This is a surprising area of deficiency in an age when we seem to revel in statistics and information on all sorts of topics. The finance committee has been considering the Statistics Act and has discovered that the number of categories that statisticians at the federal level have dealt with in an area such as this has almost doubled in recent years. This leads one to think that we have all the information we need, yet that is not the case.

My next point concerns the method of proclamation. In his statement the minister met head on any objection I might have had when he acknowledged that this was a complicated bill—as indeed it is—and that a large measure of education of the police would be required before the legislation could be proclaimed. If the bill has to provide statutory guidelines for the police with regard to arrest and release before trial, then why not follow one of those statutory guidelines that every police officer should follow? I refer to page 35 of the bill, which includes this provision:

> (8) The provisions of sections 445C, 445D and 445E apply *mutatis mutandis* in respect of any proceedings under this section, except that subsection (2) of section 445D does not apply in respect of an accused who is charged with an offence mentioned in section 445H.

I suggest that a police officer who is able to contain all that in his mind has a bright future. I might even suggest that that portion of the bill must have been drafted by the gentlemen who put together the Income Tax Act. Of course, with the Income Tax Act you can hire a lawyer at great expense, or a chartered accountant, to ramble through the various confusing labyrinths. However, in this bill we are trying, in about 75 pages, to tell police officers how to carry out their duties. There must be a simpler way, though if I were challenged to think of one perhaps I would be no more successful than those who drafted this measure. In any event, my little quotation underlines the fact that it will take a large amount of education of our police forces before the measure can be properly put into operation.

Perhaps this really goes to the heart of the bill. We have to make sure that our police officers, given this brand new approach and somewhat greater responsibility in the matter of decision making than they had hitherto, will apply this measure uniformly from one end of Canada to the other. There is nothing that holds the law up to contempt so much as a feeling on the part of the public that it is unevenly administered; that the burden of the law does not rest equally on the shoulders of everyone but that some people are able to escape its provisions. It is therefore important that the police officer, whether in Sainte-Anne de la Pocatière or in Kamloops, enforces and administers the act on a roughly comparable basis.

The extent of the powers given to police officers and others in charge of detained persons by the provisions of this bill is not, I submit, objectionable in ideal circumstances; but in view of the discretionary powers given the police, and, in the case of bail applications, the judicial powers given the police, I think we should reflect upon the amount of professional training that is given our police officers. In this regard the Ouimet report recommended:

> —it would be highly desirable to conduct continuing education programs for justices of the peace who frequently have to make decisions of great consequence to the individuals directly affected by them and to the community at large, sometimes with very little preparation for the heavy responsibilities involved.

If that is true of justices of the peace, it is equally true of the guardians of the peace, our police officers. While we do not yet have a national police academy for municipal police forces as we have for members of the Royal Canadian Mounted Police, I think in view of the extra responsibilities that are to be thrown on the shoulders of the police considerable thought must be given to some kind of continuing education for members of police forces. Perhaps the sending out of booklets to crown prosecutors, to provincial magistrates or to justices of the peace would not suffice. Perhaps the whole success of this measure will depend on a consideration to which we have not given enough attention, namely the expenditure of some hard cash on the education of those who are responsible for the operation, and therefore the success, of this measure.

• (2:20 p.m.)

Subject to those qualifications, and the fact that we will be examining many important aspects of the bill in committee, I can say on behalf of my associates that we support second reading and referral to the committee.

Mr. John Gilbert (Broadview): Mr. Speaker, the members of the New Democratic Party fully support the provisions contained in the new bill. I, for one, welcome the bail reform bill with a little less enthusiasm, perhaps with the same enthusiasm with which I receive my income tax form. The reason is that when I came here in 1965 and met the present Minister of Justice (Mr. Turner), then watched him in operation, he sort of impressed me as the new Messiah in respect of reform of the criminal law. When I read some of his speeches to university groups, law students, lawyers and various other groups across the country, I realize that he is now becoming a reformer by way of rhetoric rather than by way of action. From the time he became the Minister of Justice to the present he has not fulfilled the requirements of the new Messiah, as I was hoping he would when he took this position.

An hon. Member: He walks on water very effectively.

Mr. Gilbert: This bill is a step forward in comparison with the long step backward he was partially responsible for taking in respect of the War Measures Act and the Public Order (Temporary) Measures Act. When I think of these two acts and the way his image has been tarnished, not only in the minds of the people generally across the country but more especially in the minds of university law professors, I understand why it was incumbent upon him to make the type of speech he made this afternoon, one of persuasion, clarity and coherence. I really thought he was addressing a jury on many occasions when he spoke today.

Mr. Turner (Ottawa-Carleton): This is a jury.

Mr. Gilbert: He certainly made a deep impression on all of us. Not only is the Minister of Justice a reformer by way of rhetoric, I think he has taken what is known as the cold-feet approach. I say that because since taking office he has done nothing with regard to the abolition of corporal punishment, nothing with regard to amending the Criminal Code to abolish vagrancy charges; he has done nothing with regard to bringing forth legislation concerning the uniformity of sentencing procedures, and he has done nothing with regard to the dangerous offenders amendment. Those are just four areas in which he has done nothing.

This bail reform bill is a more blatant example of that cold-feet approach. When he first presented the bail reform bill in June of this year, he issued a press release and I should like to quote a few of his statements. From page one of the press release, let me quote the following:

> Mr. Turner said that, "at present many people are unnecessarily subjected to arrest, though other means such as a summons might be perfectly adequate to secure the ends of justice—

This is a laudible statement. He then said:

> —criteria for bail, reference is made to the special emphasis that is placed upon the consideration of the likelihood that the accused will turn up for his trial.

Then, he refers to the Ouimet report also referred to by the previous speaker. He said:

> The Ouimet report recommended that there be an additional pre-requisite for the justification of the exercise of the power to arrest, namely, that the arresting officer has reasonable grounds to believe that arrest is necessary in the public interest. Under this bill arrest will not be justified if the arresting officer has reasonable and probable grounds to believe that a method other than arrest is adequate.

Then, in rather strong terms he says:

In this regard it must be borne in mind that peace officers who fail to comply with the proposed new laws respecting arrest may be open to civil liability.

This was the minister's attitude in June of this year. In other words, the onus was upon the police officer making the arrest to ensure that he is following the proper procedure.

In the meantime he has taken the cold-feet approach, and I now refer to this attitude as expressed on page six of the bill. Let me read very briefly from it. He sets forth in proposed new section 436(2) the powers that a peace officer shall have with regard to arrest when he can issue an appearance notice rather than make an immediate arrest. Then, subsection (3) reads:

Notwithstanding subsection (2), a peace officer acting under subsection (1) is deemed to be acting lawfully and in the execution of his duty for the purposes of

(a) any proceedings under this or any other Act of Parliament, and

(b) any other proceedings—

In other words, what he has now done has been to shift the onus from the police officer to the person himself.

Mr. Diefenbaker: What section is that?

Mr. Gilbert: It is section 436(3). He has shifted the onus from the peace officer to the person who is being arrested. I imagine he did this because of the reaction he received from the police associations across the country. That is why I say that in June he had one approach with regard to making arrests, and then in February of this year he adopts another approach. It seems to me that he is really adopting the attitude of law and order, and this is not in keeping with the previous thoughts I had of him as the great reformer of criminal law.

If I have to stress this more forcibly, let me recall a speech he made in May of 1970 at the Bessborough Hotel in Saskatoon to the Law Society of Saskatchewan. He started out by saying:

Canada needs a more contemporary criminal law—credible, enforceable, flexible and compassionate.

He could not get a better opening sentence than that in any speech. A few sentences later he goes on to state:

For it is here that the most fundamental values of life, liberty, property and dignity are to be protected and sanctioned. Here, our commitment to these values will be tested.

I suggest he attempted to test those values of life, liberty, property and dignity in his bill in June, but then he received a little pressure from police associations and other organizations so he adopted the cold-feet approach.

Mr. Turner (Ottawa-Carleton): May I ask the hon. member a question?

Mr. Gilbert: I will answer questions later.

In his eloquent and persuasive address today the minister set forth the four objectives he had set forth in his press release back in June. He said the objectives are fourfold:

(1) To avoid unnecessary pre-trial arrest and detention;...

(2) To ensure that, in cases where arrest with or without warrant has taken place, the person accused whatever his means is not unnecessarily held in custody until his trial.

(3) To ensure an early trial for those who have been detained in custody pending trial.

(4) To provide statutory guidelines for decision-making in this part of the criminal law process and thereby mitigate against the possibilities for "discretionary injustice" in the decision to arrest, hold for custody, admit to bail, etc.

• (2:30 p.m.)

He said that the bill would continue to humanize the administration of criminal law in Canada, and that the right to bail should not be the prerogative of the rich while detention is the plight of the poor. There cannot be more laudable objectives than these. It is 85 years since we have seen any substantial changes in the powers of arrest, bail and detention, so it was high time for the Minister of Justice to take action in this particular field. He mentioned the methods used in arresting people. Under those methods, an officer could make an arrest without a warrant, take that person into custody, lay a charge before a justice of the peace and then bring a person before a justice. He also mentioned the second method, under which an officer could lay an information before a justice of the peace, who would then decide whether to issue a warrant or a summons.

The minister's illustrations were rather striking. He pointed out that 90 per cent of all arrests in Canada are made without warrant and that in only 10 per cent of cases are they made by way of summons. He quoted Martin Friedland, who said that 85 per cent of persons are under detention before being brought before a justice. That is a striking figure, because that situation is actually the reverse of what was originally intended when the Criminal Code was first enacted. The original intention was that a warrant should be issued before the arrest was made. Now, we find that 90 per cent of all arrests are made without a warrant.

The minister, in this bill, has brought forward a third method which could be used, the method involving the issuance of an appearance notice by the peace officer. This has been likened to giving a person a ticket. That ticket will indicate to the person that he must attend at court at a certain time and that he must attend for purposes of finger printing and photographing. The requirements for these matters will be set out in the notice of appearance.

I am sure some hon. members know what happened in the past with regard to bail. The primary consideration was ensuring the attendance of the accused at trial. Many courts have thought that the attendance of the accused could be better secured if cash or property were put up by the accused or by sureties. From that practice developed what is known as the professional bondsman. Professional bondsmen are not allowed in Canada, although they are to be found in the United States and

elsewhere. As matters developed, these bondsmen in many cases were charging between 15 and 20 per cent for supplying bonds which were necessary in order to allow the accused a measure of temporary freedom while awaiting trial. It must be obvious that these moneys or charges were paid by people who could least afford them; they could least afford to buy their freedom. The alternative was a period of detention before trial. During that period they languished in jail as a result of crowded dockets.

In this connection, we ought to consider the Manhattan bail project in New York and the report of the Amicus Foundation of Toronto. In both projects, certain studies were undertaken with regard to bail and detention. As a result of those studies, it was found that the percentage of those who failed to appear for trial was almost the same as between those who had posted bail and those who were released on their own recognizance. Let us think about that, Mr. Speaker. In other words, the percentage of people who had posted bail and failed to appear was the same as the percentage of those who failed to appear after being released on their own recognizance.

The second finding was that detention in jail imposed difficulties in obtaining counsel in preparing the case and interviewing witnesses. In addition, detention in jail resulted in a higher percentage of pleas of guilty, as compared with the numbers of accused persons on bail. The attitude of a person who is not granted bail is, "well, I may as well get it over with and plead guilty." A person may do that without appreciating the charge and the consequences of the plea of guilty.

The fourth finding made was that there was a variation in sentences and fines applying to those accused who were in jail and to those admitted to bail. That, I think, is remarkable, and illustrates that the human factor, or human weaknesses of judges and justices, must be considered. It must be far easier for a justice to impose a light fine on a person who is well dressed than on a young fellow who is poorly dressed. Conversely, it must be much easier to impose a jail sentence on a fellow who is poorly dressed than on a man who is well dressed and represented by counsel.

Another factor which these studies illustrated was this: there was a serious loss of employment, a loss of income and loss of protection for the family. That, I think, has been instrumental in bringing about an ameliorated attitude on the part of justices, magistrates—in Ontario magistrates are now called provincial judges—and superior court judges with respect to bail. I can well recall when the late Crown Attorney of the county of York, Mr. Henry Bull, Q.C., was before a committee which was discussing bail. He pointed out the changes which had been made in Toronto. There, bail magistrates travelled round to the different jails during the evening and made arrangements for bail. The attitude of magistrates had changed; they were granting personal bail instead of forcing the accused to put up money. I think that this process, shown in certain ameliorated attitudes, culminated in the criminal amendment bill of 1968-69, which gave power to the peace officer to release. One can say that this bill respecting bail is almost too late. In England, one does not need to put up money for bail. The same procedure is followed in Scandinavian countries, notably in Sweden and Denmark.

Many of the provisions of the bill are good. It says that the accused does not require to put up money unless he resides 100 miles from his place of arrest; even in that case, the limit is $500. The bail may be by way of the accused's personal recognizance. The justice or the officer in charge has the discretionary power as to forcing the posting of a deposit. Mr. Speaker, the more I look at this bill, the more I consider it as a colossus of complexities. In his opening remarks the minister said, "You know, we are introducing this measure because there have not been guidelines for peace officers to follow with regard to bail provisions. Now, we are bringing them forward. We shall now place a heavy duty on peace officers. Consequently, we shall need to embark on an expensive educational program to train people; they must become familiar with the provisions we have passed and with the application of those provisions."

It seems to me that some of the provisions we are now considering may impose a heavy burden on the peace officer making the original arrest. They may impose a heavy burden on the officer in charge, who is defined as the constable at the station in charge of the guardroom, et cetera. He must ask the accused to sign a promise to appear in court. The minister also mentioned justices of the peace. If the peace officer does not release the accused on bail, he will take him into custody. Next, he must go before the justice of the peace. He has the power either to obtain an undertaking without conditions or to have the man sign an undertaking with conditions. I wonder whether this is the type of procedure used in English courts. It seems to me to be very complex.

• (2:40 p.m.)

I hope when we are in committee the minister will give us the details with regard to the procedures followed in other jurisdictions. Hon. members are familiar with the old, legal maxim that equity varies with the length of the chancellor's foot. If bail is granted, the terms of it may vary according to the health and mood of the arresting officer, the officer in charge, the justice of the peace or the judge. The guidelines that have been imposed may be too stringent rather than flexible and helpful. That is the main thrust of the argument concerning the complexity of the bill. I hope the minister will also go into detail with regard to the problem of detention without bail. In the past, when a person was kept in custody, this was done to ensure his attendance at trial. Now, the minister is setting forth a new test, the primary object of which is the assurance that the accused will be present at the trial and, secondly, the safety of the public. It seems to me that in this case what the minister has done has been to develop case law and extend it into statutory law. I do not think he is to be given any great credit for that achievement.

The minister also outlined the procedure whereby the decision of a justice of the peace may be reviewed by a judge, and this is good but it is what we have done in the past. If you were unhappy with the decision of a justice of the peace in the setting of bail, you made an application to a county court judge. One thing I am pleased with is the major change with regard to long detention. The minister stated that if a person is detained for 90 days or more on an indictable offence or 30 days or more on a summary offence the person who has charge of the accused shall bring an application on behalf of the accused so that he may present his case for bail.

There are also some consequential changes that have been made in the law. The important one is that now bail is to be continued until the completion of the trial. Anyone who has done any criminal law work will appreciate the difficulties that we had in the past when bail had to be renewed. At one time every time the accused made an appearance, and certainly when he appeared after preliminary hearing was conducted and was committed, bail had to be renewed. This is a marked improvement in the law.

Also, I must give the Minister of Justice credit for stating clearly and decisively that time spent in custody will be counted against the sentence. In practice, many of the judges followed this procedure, but no judge was bound to take that factor into account. As a result, many people spent much time in jail before their case came up, but this time was not taken into account when the sentence was imposed.

I also commend the minister for the provisions for the release of the accused before sentence or suspended sentence. Many of us have found that before a person is convicted he has to take time out to arrange matters relating to employment and domestic affairs. Detention in jail imposed a hardship. Many judges and magistrates have been allowing the accused to be released pending sentence, although many of them felt uneasy about it because they knew they did not have the power to do so under the act.

These are some of the main provisions of the bill, but the more important one—and I would like the minister to pay close attention to my comments at this point—relates to the application of the reform bill to the young offenders bill. We are now in the process of considering that bill. It has brought about a major change. In the past, when a young person had committed an offence, he was charged as a delinquent. Usually he was charged for breaching a federal, provincial or municipal statute. Now, under the young offenders act, the young person must be charged with an offence under the Criminal Code. The questions arise: if a young person is charged with an offence, would the provisions of the bail bill apply? Suppose an arresting officer picks up a young fellow who is 12 years old, and who has committed an indicable offence such as the theft of $50. Is this arresting officer going to give the youngster an appearance notice? Will he take him into custody and have the officer in charge at the jail make him sign a promise to appear? Just how will bail for young people be handled? I hope the minister will give that matter his consideration.

If I may speak for a moment on this matter, may I say that one of my main objections to the young offenders bill relates to the age problem. I tried to point out that there should be an age distinction between the group of youngsters 10 to 14 years old against whom no criminal charge should be laid and the group from 14 to 17 who may be charged for serious indictable offences. This is in keeping with the English law. I find that the minister, although he is usually 25 years behind the times with regard to English law, is trying to keep up.

Mr. Turner (Ottawa-Carleton): That is not my bill.

Mr. Gilbert: I hope the minister will direct his attention to this problem. What is the procedure with regard to young people being arrested by officers? Are they given an appearance notice or made to sign a promise to appear? Are they bound over by recognizance or are they brought before a justice of the peace who determines bail? These are some of the questions which I hope the minister can answer. I hope that when the bill is before the committee he will bring forth Mr. Friedland who wrote the book on pretrial detention, as well as other specialists in the field, so that we can get the total picture of the application of these new provisions. One thing we would like is uniformity with regard to application. If the minister admits that this is a complex bill—and I say it is a colossus of complexities—surely we should have expert witnesses to guide and direct us with regard to its application. I hope we go into it in depth. I hope the minister will appear and give some of the answers to our problems.

• (2:50 p.m.)

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to make a few comments at this stage of the consideration of Bill C-218 entitled "An Act to amend the provisions of the Criminal Code relating to the release from custody of accused persons before trial or pending appeal".

Mr. Speaker, I feel that this bill has been introduced because of certain needs and of certain pressures coming not only from the public, but also from jurists who must deal every day with persons who have difficulties with the law.

We intend, once again, through this legislation, to amend our Criminal Code. If some persons find it difficult to abide by the law, one must also recognize that some laws do not respect the individual, and that some officers have responsibilities regarding their application.

I received this morning a letter from one of my constituents who is experiencing difficulties with unemployment insurance. This individual lost his job about three months ago, and since that time, he has been claiming unemployment insurance benefits to which he is

entitled, or at least, thinks he is entitled to. Inquiries are being conducted. Recently, he was told that his case was delayed for further study and that it will not be possible to pay him before many days. Therefore, this individual is in revolt, although I do not think that he will put into acts what he feels. However, in such cases, I wonder whether an individual would not be almost excusable if he went wrong.

If we want our laws to be respected, we have to make every effort to understand what is human in the individual and to do him justice. The bill purports to improve the provisions regarding bail which some defendants are required to provide. As we all know, too often unfortunately people get for instance, arrested for theft and without their being fully aware of it, bail is paid out for them to secure their release pending trial. This procedure in effect binds the defendants to whoever has bailed them out often without their consent.

Some of the underworld sharks have found their way into our courts of justice and taken advantage of the situation of some individuals who, as the minister indicated, due to their lack of education or their great poverty cannot afford their defence. They have been offered freedom without asking where it came from and they have accepted it only to discover they were indebted to rather unscrupulous characters and very often it was too late, they were already in the pineline.

Mr. Speaker, I hope that the amendment to the Criminal Code concerning bail will correct this situation and prevent a man who has been arrested from being deprived of his freedom while awaiting trial for the simple reason that he is poor or cannot communicate with his relatives or friends.

I am convinced that this bill will have very serious consequences on the administration of our laws.

The bill also tends to introduce some changes in the methods of work of our police officers. For instance, we want the police officers in charge of arrests to be very careful in carrying out their duties. We must recognize that there has been some abuse here and I think that police officers should not be asked to exercize their judgment in a way that would tie their hands.

I wonder if in the past police officers have always been sufficiently educated about their duties to carry them out efficiently.

I wonder whether it would not be advisable for universities to give special courses to policemen. In the past, policemen were hired for their physical strength without too much concern about their level of education. It was considered that the size of their muscles was enough for them to be good policemen. But I think they should have a fair amount of judgment. A lot of common sense is sometimes required for the enforcement of certain legislation quite often in urgent situations. Our universities should offer occupational courses for would-be policemen both provincial and municipal.

I would like to make a few remarks on the proposed reforms concerning juvenile delinquency. Much is said about juvenile delinquency which is alarmingly increasing in our villages and our cities. Considering the overall situation and certain reports on the subject, one is led to wonder if the parents should not be arrested instead of the children since quite often juvenile delinquency is the direct result of parents' carelessness.

Means designed to prevent juvenile delinquency must be found. There is no need to enact drastic legislation, but rather we have to remedy the situation through proper education for your young people and, in many instances, for their parents.

As concerns Bill C-218, members of the Standing Committee on Justice and Legal Affairs will have an opportunity to hear and question experts called in to give evidence. This will enable them to appreciate much more accurately what this bill is worth.

I hope that this bill will be referred to the committee as soon as possible and undergo a thorough examination.

[*English*]

The Acting Speaker (Mr. Richard): The right hon. member for Prince Albert.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my first words must be to compliment you on occupying the Chair this afternoon, you being a parliamentarian who, through the years, has that love of Parliament which has been evidenced on so many occasions.

I will be frank with you, Sir, when I say I did not intend to participate in this debate. I came into the chamber to listen to the Minister of Justice (Mr. Turner) and I became so interested in what he had to say that certain ideas came to me which I thought I might share with the House.

• (3:00 p.m.)

I am not one of those who say that this bill is a colossus of complexity, to use the phraseology of the hon. member for Broadview (Mr. Gilbert). It is dramatic, but I cannot argue. The bill indicates a desire on the part of the minister to bring about reform in the administration of the criminal law. While it may be suggested that it could be done all at once rather than piecemeal, that is not the way in which advances are made, particularly with respect to those matters which have an emotional content.

We are today dealing with a problem that throughout the years has been one to exorcise the thinking and emotions of all who have participated in the administration of the criminal law. Too often poverty has been a passport to prison. The poverty of an individual has often contributed to his incarceration because of his inability to obtain bail. Not being able to obtain bail, there is a psychological reaction against him on the part of many people. Even though the individual has subsequently been found not guilty, there is always an adverse reaction to the individual who has served time.

We have representatives of the law in the House. We have a former distinguished member of the Royal Canadian Mounted Police, the hon. member for Pembina (Mr. Bigg). In the discharge of his responsibilities

throughout the years he has been, above everything, considerate of the rights of individuals. Indeed, that is the background and essence of members of the Royal Canadian Mounted Police as a whole. I appeared on many cases in which the Royal Canadian Mounted Police were witnesses. Of the hundreds of cases on which I appeared, in only two did I note any deviation from the course of responsibility that has been the tradition of the force and is the prestige it has established for itself.

We are now speaking on a subject that will receive more than passing interest. The police, RCMP or otherwise, are often castigated, condemned and chastised. We apparently have not had enough hell-raisers in Canada during the past few years: we have permitted the importation of a number of people from the United States whose major subject in speeches and discussions has been contempt for the police whom they refer to as pigs. Recently, in the city of Regina one of these imported revolutionaries stated that only revolution would bring about the eradication of the pigs. He then stated a threatening indecency, that it is not a long journey from being a pig to being bacon. He asked those at the university meeting to which he spoke to do their part to destroy the police forces.

An announcement was made today concerning the commutation of the sentence of death on an individual found guilty of the murder of a police officer. There will be widespread criticism. I was one who took the position that we ought not to divide murder into two classes, capital and non-capital. I contended that it would lead to anomalies. A murderer of the Governor General would be guilty of non-capital murder, but if he killed a guard or police officer while attempting to avoid arrest, he would be guilty of capital murder. There have been tremendous changes in criminal law. No longer are the punitive and retributive aspects of our criminal law of the same importance as they were considered to be years ago. One of my great grandfathers was present in Upper Canada in 1836 at the public hanging of an individual charged with pickpocketing. The pioneers came from everywhere to join in this great celebration. Lo and behold, after the day's festivities were over, four in the audience found their pockets had been picked!

Everyone knows my feelings on the subject of capital punishment. Nowhere in countries with our tradition, our common law background—including Great Britain and the United States—has anyone been executed for murder in the past few years. As I recall it, 580 persons have been in death-row in the United States for 1½ to 2½ years. Some of them were convicted of having killed police officers or guards.

• (3:10 p.m.)

Responsibility falls generally on the Prime Minister to sign the cabinet order approving the carrying out of death sentences. When I was Prime Minister I signed the last two orders in this respect because I believed the law ought to be enforced and that there was clear evidence of guilt in both cases. The trend in the last few years is away from capital punishment. It has been abolished in the United Kingdom, and as I am informed there is no possibility of its being reinstated there despite public demands that it should be. I believe with all my heart that guards and police officers should be protected, but I do not think it is possible for the criminal law to say that if a man commits one type of murder he shall go to the gallows, while if he commits another, even though it be a most dastardly and damnable murder by poisoning or the like, he shall not.

I am one who has formed my ideas as to who in the future has among the members of the House, the possibility of becoming Prime Minister, and I have no hesitation in saying that among the two or three I have in mind, the Minister of Justice falls into that category.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: However, he has been given a series of duties to perform which have not been conducive to public acclaim. I refer first to the hate literature bill. Portions of that bill would, if charges could be laid and proceeded with, put nearly everybody in jail were it not for the fact that prosecutions cannot take place without the consent of the Attorney General of the province within which the alleged words inciting hatred were uttered. Everybody would be in jail: there would be only two groups in our country who would criticize and condemn as far as the FLQ are concerned—those in jail and those of us who were waiting for the others to come out so that we could get in.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I can only say too that if it were not for the Attorney General of Quebec, upon whom falls the responsibility to determine whether prosecution can take place under the hate literature bill, there would be many prosecutions.

Of all paradoxes, the Minister of Justice, as the law officer of the Crown, had to introduce or support legislation connected with the temporary powers act and, as well, give his undivided support to the imposition of the War Measures Act. I can only conclude that when he now says bail should not be denied and that no one should be kept in jail because of inability to raise a bond or put up cash, the views he expressed as far back as June last, referred to by the hon. member for Broadview, had to be put in cold storage in the months of October, November and December. I should like to see the Minister of Justice, now that he is so definitely of the opinion that changes concerning civil liberties must be made, join at once in supporting an end to the temporary measures act. It is not necessary any more, if it ever was—and as to that I have strong opinions.

In the spirit of reform which has always been a reason for action on his part I should like the minister to consider the setting up of a royal commission to look fully into the question of infiltration into Canada of international wrongdoers and also the infiltration of Communists into areas of public responsibility. I believe such a commission, if it had been set up at the time I first suggested it in October, 1969, regarding the FLQ would have contributed greatly to preventing what took place last Octo-

ber and November. Various individuals were talking of revolution and were uttering seditious libels. But no royal commission was set up and Canada has reaped the disadvantages since.

The minister mentioned new rules for bail and the new plan, which I entirely support of reducing arrests to a minimum. In support of his views Canada has twice as many people in the penitentiaries and jails in Canada than has the United Kingdom. Crimes are multiplying in Canada. In an age of permissiveness, lawlessness has become a way of life. I shall not go into statistics except to read to the House the percentage increase in crime between 1962 and 1969, the last year for which statistics are available. Murder increased by 57 per cent, attempted murder by 169 per cent, rape by 77 per cent, assault, not including indecent assault, by 159 per cent, robbery by 99 per cent, breaking and entering by 97 per cent, theft of property valued at more than $50 by 100 per cent, and frauds by 92 per cent. Mr. Speaker these statistics are an indictment of us all. I believe the legislation now before us will be beneficial in establishing for the individual a reasonable degree of security of his civil liberties, and at the same time will maintain the security of the state.

• (3:20 p.m.)

I suggest to the minister that it is time judges across Canada kept their mouths shut in regard to political matters. As to royal commissions I hope that the Spence commission dispensed with the use of High Court judges for political purpose commissions once and for all. However, I am concerned that during the last few months judges have been expressing themselves in a way that is not in keeping with the independence of the judiciary and its freedom from political considerations. One of our High Court judges of the Court of Appeal of Manitoba, speaking in Toronto, said:

> What the FLQ did in the Cross and Laporte matter was a frontal challenge to the rule of law. What Canada did by response was a courageous refusal to yield to that challenge.

He is an experienced and able judge—

An hon. Member: But a political judge.

Mr. Diefenbaker: I did not say that. I recall, in connection with that interruption, the remarks attributed to F. E. Smith the inimitable, when he clashed with a judge. He had been truculent in the presentation of his cases, and the judge said to him, "I would remind you, if you have ever read the great Bacon, that youth and wisdom are scarcely ever good companions" Frederick Smith replied, "And, my Lord, I would remind you that the same great Bacon has said that the garrulous judge and justice have never met".

Let me give another example. A judge of the Ontario Court of Appeal made a speech in which he said that Canadians should be prepared to carry identity cards bearing their photograph and thumbprint. I say to that judge that he should stay on the bench, and not advise Canadians they should adopt such a system in this country. Mr. Speaker, judges should not give their opinions when they are of a political nature. I could mention two others in inferior courts who have been expressing themselves in a way that cannot be justified and cannot but contribute to disrupt the law in our nation.

The minister mentioned that accused persons who possess the necessary resources are able to get their freedom before trial and even after trial. There have been a couple of examples of individuals who, having been convicted but having power and wealth, have escaped. I am not going to bring up the case of labour leader Hal Banks—"Prince Hall" of Liberal favour. He got out on $25,000 bail after having been convicted. He then left for the attractive atmosphere of New York.

However, the United States traded us one in the person of John Doyle, who still takes his part in the political life of this country. Having been convicted in the United States he got out on bail and came to Canada. When I recently mentioned in Barbados to an American lawyer that law enforcement in the United States was not always of the best, he said to me, "Well, we believe in fairness. We traded you Doyle for Banks". Both of these gentlemen were financially well off.

I shall have more to say about Mr. Doyle on another occasion. In the month of April, 1963, he was a mastermind. At a time when certain Social Credit members decided they ought to sign a petition of support for the opposition of that day, he had with him a civil servant of high rank today occupying a seat at the top echelon in a semi-judicial capacity, as well as a man by the name of Moise Durabaner who was the accepted apostle of Liberalism in Quebec. I shall be referring to this matter on another occasion. However, let me point out that Mr. Durabaner could tell a story in support of what the Minister of Justice stated, that too often when an individual is incarcerated awaiting trial, practices take place that are not in keeping with justice. He was kept in custody for seven months, was pressed daily and weekly and threatened until he finally confessed. This is a matter that might be looked into because it would be an interesting story. He has been in custody a long while and there are some who are not anxious that he get out on parole after 5½ years.

Since the minister has become "Mr. Clean-up" in the world of criminal law, I think the time has come for a commission to be appointed to look into the state of Canadian penitentiaries. Two or three investigations have been made. I have asked a number of questions during the last couple of weeks concerning the Prince Albert penitentiary. There again, as always, the little man at the bottom gets the condemnation. A public investigation should be conducted into that penitentiary and into others across the country.

The criminal law protects the security of each of us. But the individual who is before the courts has a right to the preservation of those freedoms without which life itself is meaningless. The Minister of Justice referred to the provisions concerning bail, imprisonment and a denial of cruel and heinous punishments going back to the days of the British Bill of Rights which were incorporated in the United States Bill of Rights and amendments to the Constitution, and are included in our Bill of Rights.

• (3:30 p.m.)

At this point I want to refer to what to me appears to be a major division in the cabinet opposite—just one of them. The Minister of Justice is sincerely desirous of preserving the freedom of Canadians, and I have no hesitation in saying that. I have never got around to handing out compliments where they are not deserved. It is not flattery to say that. I think of Sir John when he was interrupted once in the House: he had said something favourable about a minister in the Mackenzie government, and the minister said, "That is flattery." Sir John said, "No, it is a compliment". The minister said, "What is the difference?" Sir John replied, "Flattery is an agreeable untruth".

The minister has a feeling for the Bill of Rights, but what of the others in the cabinet? The Bill of Rights came before the Supreme Court of Canada and the government of Canada stood against the Bill of Rights all the way along. It had its counsel argue that the Bill of Rights was an ineffective and pious declaration of human rights but did not mean anything to the individual.

It was not the present minister who made the appointments, but in the Supreme Court of Canada, counsel for the government of Canada, while embracing the principle of freedom in their arguments did everything they could to induce the Supreme Court of Canada to say that the Bill of Rights did not mean anything.

Mr. Turner (Ottawa-Carleton): That is not quite right.

Mr. Diefenbaker: Has the minister not read their factum? It is apparent that in the arguments they advanced they were not representative of the present Minister of Justice but of another group within the cabinet which does not believe in human rights.

This is a worth-while bill. It does not cover the entire situation. I presume one is permitted to quote a Chinese proverb, now that the Communists have their representatives in Ottawa: a journey of a thousand miles begins with one step. This is an important step and I congratulate the minister.

Some hon. Members: Hear, hear!

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, it is always a privilege to participate in a debate in this House, particularly when one follows the right hon. member for Prince Albert (Mr. Diefenbaker). I was a little suspicious when he indicated that he was not prepared for this debate and I saw the papers he had on his desk and the material he drew upon. I think that was an agreeable untruth. In fact, he may not have been prepared for the debate on this bill but he was certainly prepared for a debate on all the things he had to say.

The right hon. member for Prince Albert attacks the Minister of Justice (Mr. Turner) and says there is a paradox between the position he took on the War Measures Act and the position he is taking on this legislation. I do not see a paradox. Instead, I see the Minister of Justice doing what he was called upon to do at that time: he was called upon to do his duty, and he did it. If I may be permitted to say this, I think the Minister of Justice did his duty well. I do not think there is any question in the mind of any member of this House, particularly those who know the Minister of Justice, that the kind of decisions he was called upon to make at that particular time were necessary. As the right hon. member for Prince Albert has said, in his position as a law officer the minister was faced with making these decisions and he made them.

I welcome the opportunity to participate in this debate on Bill C-218 which relates to the release from custody of accused persons before trial or pending appeal. One of the charges levelled by many citizens—and I am embarrassed to say I have often heard this charge made in the House—is that there is a law for the rich and a law for the poor. It is the kind of statement that makes a conscientious member of the Bar wince. I see in this legislation a narrowing of the gap in the treatment that will be afforded to the rich and to the poor. This type of legislation and the philosophy behind it augurs well for increased respect for the law.

I think that in order to understand this particular piece of legislation, we have to look at the present situation. I read very carefully a series of articles by two practising lawyers from Toronto, Mr. Sydney B. Lindon and Mr. Joel Goldenberg. They made some interesting and, I think revealing comments about the present situation. These two gentlemen conducted a Toronto bail research project. This study was conducted over a two-year period from 1966 to 1968. They concluded that the system of bail as we know it today does not work, because it keeps people in custody who should not be there and it allows people out of custody who should perhaps not be free pending trial.

It does not appear to have any greater reliability than release on recognizance without bail, and unhappily it punishes before trial. In effect, it seems to make a mockery of the statement that a man is innocent until proven guilty. Mr. Linden and Mr. Goldenberg stated—I am paraphrasing their series of articles—that the Parliament of Canada must take the lead and provide a legislative and philosophical framework within which reforms may take place.

Knowing the situation and knowing the demands that will now be placed upon policemen in the country, it is my feeling that this legislation pays a great compliment to our police forces. This Parliament has an obligation to pass good laws or what the minister called in one of his speeches credible laws. He said this in an address to the association of police chiefs. As good as the laws that we make here may be, I suggest that we will have worked in vain unless the practical problems of administrative reform and enforcement are solved. The minister in his address to the association of police chiefs said as follows:

> It is unfair to expect the police to enforce laws that have lost the respect of the public for in doing so the police become the butt of public criticism, criticism that should be more correctly directed at the legislator.

In fact, it is criticism directed toward hon. members of this chamber. I stated earlier that this legislation pays a compliment to the police forces in Canada, and I submit that we owe it to the policemen to state here publicly

that we will, by this bill, be giving them greater responsibility in their already crowded schedule of responsibility. Modern society has, unfortunately, complicated the task of the legislator and of the policeman. The two gentlemen referred to previously, Messrs. Linden and Goldenberg, have challenged Parliament to provide the legislative and philosophical framework. This bill has done that. If it is not applied with humanity, understanding and common sense by the police, our work will have been in vain. Attitudes of the public are based on the first contact of the citizen with the police, so that they are in effect the vanguard or our front line troops.

The minister and others have outlined the objects of this bill and I do not believe it is necessary for me to reiterate them. We are not studying the bill clause by clause. I support the philosophy and framework of the bill but I thought it incumbent upon me to pay tribute to the men who must make it work—the policemen of Canada. Unhappily for the policemen in all too many communities, the only time people hear about the kind of job they are required to do, the kind they will be required to do under this bill, the type of risks they are required to take, the kind of intelligence they have to exhibit and the decisions they have to make, is at salary bargaining time. A somewhat shallow and cynical public has said: They are saying all these things and exaggerating them because they want an increase in pay.

• (3:40 p.m.)

Happily, in many communities there is a good public relations effort and there are splendid programs of school visits, films and safety lectures. The school systems of the country have an obligation to do that which is possible to accord policemen the kind of respect they have earned and deserve. I believe that the police forces of Canada are intelligent enough to deal with this legislation, because they know it is good law and they will have all the more reason for making it work. Very early in the game, the Minister of Justice met the Attorneys General of the provinces, and this bill has won wide acceptance. As I indicated earlier, the minister spoke to the police chiefs in Canada to impress upon them the need for training and educating so that policemen will understand their responsibilities under this bill.

I do not think this is unpopular legislation. I think it is the kind of law that once again points up a new attitude toward an accused. It is a law which, if properly enforced will bring new respect for justice and the administration of justice. Press comment is favourable: it has indicated that the bill will make major reforms of the Canadian law relating to arrest, detention before trial, and bail. I think the general public will also accept the philosophy of this bill when it understands that it seeks to prevent the unnecessary arrest and detention of persons suspected of having committed a crime, but that it provides proper guidelines for the exercise of police and judicial authorities.

I have referred to the philosophy behind the bill. The philosophy of the bill, in essence, is this: A police officer should not arrest a suspect if the public interest can be secured by proceeding in another fashion. The fashions

[Mr. Cullen.]

are outlined in the bill. If a suspect is arrested and detained, his financial means should not be the determining factor in deciding whether he is to be released on bail pending trial. In this bill we have said a man is innocent until proven guilty and the onus is on the authorities to establish why bail should not be granted. Money is not the measure: the basic question should be whether an accused person is likely to appear for his trial.

One of the other areas which the government and the Minister of Justice have considered is that it is necessary to bring down a piece of legislation and not to be hidebound to follow it in minute detail. This legislation was introduced early, with the full knowledge that time would pass before Parliament would have an opportunity to deal with it prior to the summer recess. This was done, as the minister has indicated, to make it public and so provincial authorities charged with the responsibility of enforcing it would have full opportunity to study the proposals before the bill was passed by Parliament. I am informed that since June, 1970, the Minister of Justice has discussed the bill at meetings in Halifax of provincial Attorneys General and with various police organizations. It was also discussed, as I have said, with the Canadian Association of Chiefs of Police which met at London, Ontario. The bill has received detailed study by many sections of the public. It was then reintroduced by the Minister of Justice, as he has indicated. He said:

—I am satisfied assisted in achieving a clear and a workable law but to maintain intact the basic principles of the legislation—

From the standpoint of the people who will be operating under the aegis of this bill, everything possible has been done to bring it to their attention, to give them an opportunity of studying it and to present their observations. In the final analysis decisions have to be made. The bill, as I indicated previously, was redrawn and reintroduced. This is a good bill. It is a bill which I think all members of the House can support in principle. If there are specific changes to clauses that the Standing Committee on Justice and Legal Affairs might see fit to make, changes which will improve the performance of the bill, its image or the standard, I know they will be welcomed by the Minister of Justice. On second reading of the bill we are dealing with its general principle, and I have no hesitation in declaring my complete support for this good piece of legislation.

Mr. David MacDonald (Egmont): Mr. Speaker, I shall speak briefly on this bill, partly because there is general disposition on the part of hon. members to send it to committee and partly because I think it would be unwise for some of us to reveal the depths of our ignorance on this subject. Speaking as a layman in the field of law, I feel it incumbent on me to speak on this bill which is the first major proposal to be presented to the House by the minister since the activities with which he was involved last fall.

Mr. Turner (Ottawa-Carleton): The statutory instruments bill was a most important measure.

Mr. MacDonald (Egmont): The statutory instruments bill has been dealt with. This bill is important, yet the

minister's attitude with regard to it is clearly inconsistent with the attitude he displayed last fall. I listened carefully when the minister was speaking before lunch. He enumerated effectively and clearly the reasons for bringing in this kind of legislation, reasons in which I wholeheartedly concur. I am sure that anyone who has followed the minister's speeches during the past six months is more than somewhat amazed to hear him today talking about the desirability of restoring order and that there must not be overkill in the methods used. His remarks concern people who might be detained unnecessarily, as well as the economic, social and financial difficulties resulting from detention. But it seems that only yesterday, or perhaps it was the day before, this minister seemed to be totally unaware that those factors would also apply to those detained under another piece of legislation which even he could not adequately define.

We have learned recently that 90 per cent of those arrested under that law may have suffered, as innocent individuals, the loss of economic and social opportunities, the loss of jobs and all the deprivations following upon that. In addition, they have acquired a criminal record which is available to municipal or provincial authorities. Clearly, under the law as it now stands, this should not be tolerated for one moment. Yesterday afternoon the minister indicated a willingness to tell provincial officials how bad it would be if they were to maintain the records of the 435 people who never have been charged with a criminal offence, because these people to the end of their days would know that their criminal dossier was in the hands of the authorities. This is something the citizens of the country would not wish to tolerate for one moment.

Mr. Speaker, the introduction of this reform bill having to do with bail, detention, and so on, demonstrates that every possible step ought to be taken to ensure that nothing detrimental happens to an accused provided, of course, that he is still presumed to be innocent before being found guilty. This point was argued strenuously last fall when we argued the implications of the regulations under the War Measures Act and, subsequently, those falling under the public order bill.

The minister and the government apparently refused to accept our minimal request for the setting up of a review procedure. The minister argued that you could not introduce such a review procedure when this matter fell under provincial responsibility. It could be argued, if one were looking for inconsistencies in the law we are debating, that it too will be administered on a provincial basis. Nevertheless, that in no way prevented the minister to ensure that people will be properly dealt with by the law. If we have to choose between the Minister of Justice (Mr. Turner) whom we see in February, and the Minister of Justice whom we saw in November, I will take the one this month, as I am sure most enlightened Canadians will.

• (3:50 p.m.)

As the right hon. member for Prince Albert (Mr. Diefenbaker) said, we must look more earnestly at many aspects of legal reform. One that I hope we will discuss before long is the question of contempt. I think it is interesting that members of this House can pass comments, as they often do, on the effective use of procedures in courts, but citizens generally, were they to comment publicly on the regular day-to-day business of the courts, would leave themselves open to being cited for contempt by the judiciary. We have seen this with respect to court proceedings in Montreal recently.

The whole question of contempt must be seriously considered if the citizenry of the country is to be able to properly appraise the effectiveness and fairness of the courts. It has been well said by the minister and a number of hon. members that this legislation is attempting to redress the imbalance of the rich with respect to the poor. There is in my mind no doubt that it has been true for many years that those who are well-off have always been more fairly treated—not only in courts but in society—because they have been able to take advantage of the kind of sway and stature that money and influence bring, which naturally give them a better opportunity, even before the courts, when perhaps their objective, legal situation is exactly the same as that of those who have not the money or influence with which to defend themselves.

I trust that in bringing forth this legislation the government is moving to remove these inequalities from the law. What the minister said is very true, that those who have found themselves unnecessarily detained, who have experienced a period of pre-trial detention, have often prejudiced their own case with regard to the eventual outcome of the trial. In fact, if I were to speak as a layman I would say that I have been even more concerned about the personal effect of long periods of pre-trial detention. Having spent some time working in prisons and penitentiaries, particularly in prisons where men are usually detained before trial, I know the kind of debilitating effect which may occur, particularly to individuals who for the first time find themselves in the worst kind of social conditions in our provincial and municipal institutions of incarceration.

I think it is a sad comment on our system of penology that those who first run afoul of the law, or who at least are charged with running afoul of the law are immediately thrown into conditions that cannot help but influence them to become increasingly anti-social and at odds with society in general. It would perhaps be useful if more of our public leaders and members of this House would visit people being held before trial or would talk to those who have had that experience. There is no doubt in my mind that if that incarceration does not immediately affect the progress of the trial, it certainly has a disastrous, long-term effect on the accused. For that reason, if for no other, I welcome the legislation put forward by the minister. There are, however, two or three dangers in this legislation of which we should be aware.

In his opening remarks the minister said that one of the main objectives of this bill is to ensure an early trial. I hope this is the case, but in view of the tremendous number of trials pending in many provinces because of an insufficient judiciary, it is not at all obvious that by passing this legislation we will alleviate the problem. By

putting this bill into law, steps must be taken immediately—perhaps the provinces could do so in conjunction with the federal government—to ensure that the undue or lengthy detention period before trial does not occur. If these steps are not taken, then indeed, the bill will defeat the very purpose for which it was introduced.

I was intrigued to hear the comment made by lawyers who have spoken in the debate regarding the complexity of this legislation. We know that we live in an increasingly complex society, but many of the problems we face are not simple in terms of solution. I think we must avoid, if at all possible, introducing solutions that are more complex than need be. I think that one of the services the Committee on Justice and Legal Affairs could provide would be to ensure that in the final analysis the legislation directed toward these reforms is as simple and clearcut as possible.

I think this legislation introduces a number of important questions with regard to administration, not the least of which is the effectiveness of those in positions of authority in the police forces. This interesting question was raised at length during our debate last fall on the War Measures Act and the temporary public order bill. Increasingly, questions are being raised as to how effective police action can be in a modern society.

I think members on all sides of the House have been disturbed by the increasing loss of respect for authority and the frequent inability of authority to question itself effectively and objectively. In the first instance, I think public confidence in the police must be restored where it has been lost. Second, I think we must begin an effective upgrading program so that modern-day police officers will be competent and able to handle the kind of legislation that is placed in their hands. The wide powers of judgment being asked for in this bill will require a much more comprehensive training—perhaps in-service training—for police authorities provincial and federal.

Mr. Deputy Speaker: Order, please. It being four o'clock p.m.—

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, it has been stated several times that there is a general disposition in the House to conclude second reading of this bill today. Toward that end, the hon. member for Winnipeg North (Mr. Orlikow), whose bill would be coming up in this hour, has agreed that it would be all right for me to say that we would give unanimous consent to Your Honour not seeing the clock.

Mr. Turner (Ottawa-Carleton): I thank the hon. member.

Mr. Woolliams: We give that agreement as well.

Mr. MacDonald (Egmont): I will conclude very quickly so that other hon. members may be able to speak on second reading. I conclude by saying that because of the substantial change with regard to bail and detention, we require much greater public education.

• (4:00 p.m.)

As we know, in the main public education is a provincial responsibility. It seems to me the government will have to be prepared to assist the provinces, where requested, in this respect in order that a much greater understanding of the operations of the law will ensue. It has been suggested that the police officer will have a responsibility to inform the individual of his rights. Traditionally, that has been expected; but in addition I would hope that in concert with this legislation there would be a program to educate citizens so that generally they would know the application of the law with respect to their individual situations.

Finally, with reference to the meetings of the committee which will study the bill in detail, I hope the committee will have available the testimony of those who can offer professional advice and those concerned with the area of provincial administration, so that when the bill goes into our statute books it will be in the best interests of Canadians.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I commend the minister, without reservation, on the introduction of this bill. I speak only for myself: I know this is perhaps an unusual occurrence, but whenever it is deserved I prefer to take this attitude. Contrary to the fears expressed by some people, I am satisfied that the legislation will aid law enforcement. It will do so by promoting greater public respect for the law and for its enforcers, the police and the courts.

Everybody in this House would agree that law and order are essential to the security of all of us. There are some people outside the House who perhaps do not accept that, but I think it is a basic truth. At times, the slogans of law and order are used to deny the liberties and rights of the individual, and I think the Minister of Justice (Mr. Turner) was absolutely right when he said that the real task of legislators, as well as of courts, is to balance individual liberties against the needs and the necessities of the community.

I am happy that the atmosphere that surrounded the invocation of the War Measures Act and the enactment of the public order act has not prevented the minister from bringing forward this bill which expands the rights of the individual. I am glad that the program of reform, to which I know he is devoted, has not been ended by the degree of public fear and hysteria which accompanied the events of last October and November. I think this legislation is needed, and has been badly needed, for a long time.

The minister referred to Professor M. L. Friedland and his book on this subject. I have in my hand an address delivered by Professor Friedland to the John Howard Society in February, 1966, which I think summarizes extremely well the case for this bill. I am not going to read all of it, but the first thing emphasized by Professor Friedland in his address is the very infrequent use of the summons to initiate criminal proceedings in this country, as compared with the situation in England. He said:

> The relatively infrequent use of the summons is clearly undesirable in light of the many sound arguments in favour of limiting the process of arrest to those cases in which it is a reasonable necessity.
>
> When an accused is summoned, rather than arrested, all the harmful consequences of custody pending trial are automatically

eliminated: for example, the higher incidence of guilty pleas for those kept in custody;—

The minister referred to that.

—the possibility of improper treatment while in custody; the possible delay and inconvenience in attempting to raise bail; the opportunity for the accused to become enmeshed with illegal bondsmen and unscrupulous lawyers; and generally all the personal considerations, such as loss of employment, decreased income and protection for the accused's family, and anxiety of relatives and friends.

The minister referred to these matters when introducing this legislation, and they are extremely important to the individuals concerned. Professor Friedland went on to say:

English law has always maintained that the physical integrity of the body and freedom from confinement are of paramount importance. Summoning an accused saves him from the indignity of being physically taken away by the police. Unless the application of even the most minimal force is reasonably necessary it should not, of course, be applied.

He want on to express what I think is the core of the reason this legislation is required.

Unnecessary arrests weaken the whole fabric of the administration of justice. They further community disorder and create bad will between the public and the police force. Many of the cases involving police violence, resisting arrest, and assault on police officers arise out of situations in which the police are legally but needlessly using the arrest procedure. The administration of the criminal law directly affects a substantial proportion of the community. Not only will the accused react unfavourably to what he feels to be abusive procedures, but his friends and relatives will also tend to lose respect for those who use unduly harsh and primitive techniques for compelling appearance in court. By arbitrarily arresting all accused persons the police cannot hope to enlist public sympathy and support.

I sincerely believe that is entirely true. Most of us in this House come from elements of society that have relatively little contact with the police. We are fortunate that we do not often have to face these things. But I think a great deal of the lack of sympathy from the police, which people have complained about, has been due to the practice of unnecessary, unneeded and unrequired use of the procedure of arrest rather than the procedure of summons. I think the usefulness of the legislation will be tested in practice by whether there will be a substantial reduction in the use of arrest and a substantial increase in the use of summons and the other notification procedures outlined in the legislation.

In addition to dealing with the substitution of less punitive forms of initiation of criminal procedures, the bill also deals with the question of bail. Again, I think the essence of this was set out in the address by Professor Friedland, to which I have referred, when he said:

In the setting of bail there is an undue preoccupation with its monetary aspects. Security in advance is generally required in our courts. At the time of the study release on one's own recognizance was used in less than 20 per cent of the indictable offence cases where bail was set...

The tragedy of this preoccupation with money is that a large percentage of persons are unable to raise the bail that is set. The data showed that 62 per cent of all persons for whom bail was set at their first court appearance were unable to raise it, and in particular, when bail was set at $500, 60 per cent were unable to raise it.

The purpose of this bill, in part, as I understand it is to remove that discrimination which means that a person with property can obtain bail, can obtain liberty and escape from the indignity of prolonged or any imprisonment before conviction has been registered. He can escape that indignity if he has money: he cannot if he does not have money. That is the plain fact that has existed for many years in our criminal procedure. It is grossly unfair. It creates disrespect for the law; the feeling that the law aids one section of the society and not another. This is one of the reasons for dissatisfaction, contempt and eventual lawlessness.

• (4:10 p.m.)

If an accused is to be released, he should be released on his own recognizance. If the recognizance is not appropriate, it should be by surety of a reasonable amount recoverable if an accused fails to appear. There should be an adequate investigation of the background of arrested persons. As any practising lawyer knows, bail is often set without any knowledge of the person concerned. It is set almost entirely on the gravity of the offence. It is necessary to have background information when allowing bail. I hope this bill will promote an investigation of the background of those concerned. Financial security in advance must be eliminated from our release practices before trial. Because the bill does this, I think it deserves favourable consideration by the House.

It has been justly said that the bill is complex. However, it is not unduly complex. If the members of this party who are members of the Standing Committee on Justice and Legal Affairs can assist in removing the complexities of the bill, we will try to do so.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I will not take very long in commenting on this bill. It has had a fairly good run this morning and this afternoon. Many of the points that I might have made have already been underlined. I support the bill, as do my colleagues. Without being unfair, I say that this bill, unlike the young offenders' bill, indicates that the minister has been sensitive to the opinions and expertise of those who have given this subject a good deal of study. I congratulate the minister for this. In doing so, I do not want to be uncomplimentary to the Solicitor General (Mr. Goyer) who was practically handed the bill with his appointment as Solicitor General.

I think there is a lesson to be learned here. The bill shows that care and attention has been paid to this question by those who have knowledge and information. The minister has had the advantage of many inputs, to use the current cliché, one of which is the book entitled "Harrison Liberal Conference, 1969". I have volume 3 in my hand. This book contains a most interesting summary of a paper that was presented. It might be worth while quoting. I will not quote the complete summary of what occurred at Harrison Hot Springs but just that aspect which deals with the bill now before us.

Sixty-two per cent of all people who had a bail with deposit order set during a 6 months' study were unable to post that bail. They could not afford to buy their freedom.

The language used at Harrison Hot Springs is being parachuted into the record by the member for Fundy-Royal.

> Studies have indicated that the fact of being in custody at the time of the trial will prejudice the accused person.
>
> The Amicus Foundation report noted that almost the same percentage of people who had posted bail failed to appear for trial as those who were released on their own recognizance.
>
> The writers suggest that the Criminal Code's section 125 be vigorously implemented thereby prosecuting those who fail to appear for trial.
>
> An abuse of the bail system is the usurious rate of interest charged by money lenders to post bail. Possibly a worse abuse is that inability to produce bail imposes punishment before the trial.
>
> Crowded dockets require inordinately long periods of incarceration before trial.

I may be transgressing on a field which is basically a provincial responsibility, although sometimes we might profitably indulge in a discussion of this whole area. I do not believe one can slough off his responsibility in a sort of constitutional minuet as has occurred in recent months. There are very few cases where an accused person should have to wait for what in another age was the arrival of an assize judge. This should not be part of the modern day mobility. This aspect might also be investigated by the minister, who has been having very useful meetings with Superior Court judges across the country with regard to the whole aspect of sentencing.

When this bill becomes law it will require a great deal of study by the various police departments in Canada. I hope that the minister will continue to show leadership in this field by initiating discussions and studies that will be essential if the municipal and provincial police forces and the Royal Canadian Mounted Police are to give effect to the philosophy behind this bail reform bill. It must not be left to an ad hoc committee of Attorneys General or Ministers of Justice: I hope the leadership will come from the Minister of Justice in the same way that it has with this bail reform bill. The hon. member for Greenwood (Mr. Brewin) referred to a very interesting study made by Professor Friedland. I shall not lard up the record by repeating what he said. He made his speech ahead of me, so Professor Friedland is now his man. Presumably, Professor Friedland is also the minister's man. A good deal of very useful information contained in Professor Friedland's articles and studies have obviously gone into the drafting of this statute.

We must continue to keep a sharp distinction between our treatment of a man suspected of a crime and a man convicted of one. It is not a useless admonition to keep reminding ourselves of this. The amendment to the Criminal Code, through this bill, requires careful examination by the Standing Committee on Justice and Legal Affairs. I am anxious for it to soon become part of the statute law of Canada. Like other hon. members who have spoken, I think the appearance notice will be an extraordinarily helpful reform to the law. For the life of me, I have never understood why the police have felt compelled to use warrants in so many instances. This bill will give them not only the alternative but a legal obligation to use the appearance notice. It will compel the courts as a general rule to accept a man's word or written undertaking that he will turn up for his trial. These two things are the key to what the minister described as a complicated piece of legislation.

• (4:20 p.m.)

I had occasion once in my career at the Bar to appear on behalf of an 11-year old boy who had been kept in jail for eight days without a charge being laid. We found, when a visiting clergyman drew the case to my attention, that the police had been trying very hard—this is not a general rule, I think, with the police—to "break" him. That is the term they use. When I arrived at the jail I was asked by the police officer to wait because they were just about to "break" the boy. I suggested it would not be the boy who was broken, but the police, if he was not delivered with me to the magistrate within minutes.

I am not usually as upset about things as I was then. This is a terrifying example of what could happen in a small out of the way place if people, particularly the police in this instance, are not sensitive or knowledgeable about their obligations under the law. This is a roundabout way of saying there will have to be help given to the police. Some have suggested the publication of a manual written in straightforward terms and also that an opportunity be given to the various police forces for re-education in connection with the whole thrust of what is a very useful bill.

There is one provision which worries me a little because of its complicated nature. I refer to the criticism which was expressed by the Quebec Association of Judges in a brief dealing with the clause amending section 445 C. The judges suggested it should be amended so as to prohibit not only publicity of a proof made, but also publicity being given to the name of an accused from the time of his first appearance in court. There are recommendations which I am sure the Committee on Justice and Legal Affairs will wish to study. A serious problem also arises from the fact that an accused might be prejudiced by having his case brought before the magistrate who heard his application for bail. It should therefore be possible to arrange for another magistrate to conduct a trial in circumstances in which the magistrate who would normally try the case had disposed of a contested bail application during which evidence not admissible at the trial had been produced. The judges claimed that it would be very difficult to administer the clause because there are so few judges and their workload, already great, would not allow an extra burden to be placed on Superior Court judges. If the situation is bad in the large cities, even more serious inequalities might arise in the smaller centres.

I have just given hon. members an instance of what can happen in a small jail. I do not know whether, had there been a Superior Court judge there, it would have made any difference. Of course, if the matter had been brought to his attention the situation would have been remedied. As the judges say, it may well lead to unfortunate situations in smaller centres which judges of the Superior Court of criminal jurisdiction visit only on occa-

sion on circuit or for assizes, depending upon which of these terms they prefer.

Statistics are not available on a comprehensive basis with respect to the number of persons released on bail charged with indictable offences who commit indictable offences while on bail, or the relationship of a criminal record to the probability of the commission of an indictable criminal offence while on bail. The Ouimet report recommended that there should be a central registry, and I am sure this has been discussed. I have not heard every speech in this debate, unfortunately, but I hope the federal government is working on this problem and that it will establish a central registry in each province with some link with the national capital. This would be an important addition to the legislation when the act receives the approval of Parliament and becomes law.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

* * *

BUSINESS OF THE HOUSE

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, there seem to be a few reluctant people around. I believe there have been some discussions and it may be possible to proceed with orders Nos. 27 and 39. Both are set for report stage and third reading. I am told the Parliamentary Secretary to the Minister of Finance has a brief statement to make in each case, and provided he is unprovocative these two items should get through fast.

Mr. Mahoney: I intend to be unprovocative, but I must say the items with which I am prepared to deal are items 39 and 51, the Canada-Jamaica Tax Convention—

Mr. Knowles (Winnipeg North Centre): That is satisfactory. We shall switch to items 39 and 51 and hear what the parliamentary secretary has to say.

* * *

FARM IMPROVEMENT SMALL BUSINESSES AND IMPROVEMENT LOANS ACTS

AMENDMENT PROVIDING ADDITIONAL THREE-YEAR LOAN PERIOD

Hon. John N. Turner (for the Minister of Finance) moved that Bill C-191, to amend the Farm Improvement Loans Act, the Small Businesses Loans Act and the Fisheries Improvement Loans Act, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

• (4:30 p.m.)

Mr. Deputy Speaker: The Parliamentary Secretary to the Minister of Finance (Mr. Mahoney).

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker, this is the report stage: the hon. member should wait for third reading.

Mr. Deputy Speaker: Order. I will put the motion again.

Mr. Knowles (Winnipeg North Centre): Again on a point of order, Mr. Speaker, the Minister of Finance (Mr. Benson) is not here. The motion should be made by a minister who is here.

Mr. Deputy Speaker: Mr. Turner, for Mr. Benson, seconded by Mr. Richardson, moves that Bill C-191, an act to amend the Farm Improvement Loans Act, the Small Businesses Loans Act and the Fisheries Improvement Loans Act, be concurred in. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

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

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton, for the Minister of Finance) moved that the bill be read the third time and do pass.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I would not want to take a chance on anyone missing this remarkable offering that they are about to receive. The only reason for saying anything at all is that a number of general questions regarding the scope, application and effectiveness of these programs were raised at the committee stage and the government would like to record a review of the programs being undertaken. For this reason I should like to take about two minutes of the time of the House.

We have before us Bill C-191 which has been reported, without amendment, by the Standing Committee on Finance, Trade and Economic Affairs. The purpose of this bill is to extend the existing legislation governing these programs for a three-year period ending June 30, 1974, and to provide for appropriate loan pools to permit their continued operation. The current lending periods for these programs would, in the absence of amendment, expire on June 30 of this year.

Hon. members will recollect that when the most recent amendment was made to one of these acts, the Small Businesses Loans Act, in March 1970, the government indicated that it was the intention to review these three very similar programs as a group in order to assess their effectiveness and, if justified, to bring forward any changes resulting from the review at a later date. This review has been started, but it would be unrealistic to expect it be completed before the end of June, 1971, when the present legislation expires. In particular, sufficient time must be allowed to obtain a comprehensive picture of the views of the various interested groups affected by these programs—of their needs and the adequacy of existing private and public facilities.

With this in mind it would seem shortsighted to make piecemeal changes in the existing legislation at this time without the benefit of a comprehensive overview. It is the government's intention to proceed with this assessment

and to press forward with it, bearing in mind that it is essential to come up with realistic conclusions covering all facets of the situation in order to ensure that any government action will be effective and meaningful.

The government has already received a number of suggestions with respect to the provisions in the present legislation, as have a number of hon. members. All such submissions are, of course, receiving study and will be taken into account in the course of further developments. In the interim, passage of Bill C-191 will ensure that these programs will continue to be available to these three important sectors of the economy.

Mr. G. W. Baldwin (Peace River): Just one or two sentences, Mr. Speaker, keeping within the caveat laid down by the hon. member for Winnipeg North Centre (Mr. Knowles) not to be provocative. I only want to say that it has been reported to me that the committee hearings were excellent and that the members of the opposition, with that inspiration, intellectual honesty and dedication to duty that characterizes them, had an extremely useful discussion on the bill. They made a lot of very interesting and provocative suggestions which I am sure the government will take in mind, and when these bills come to the House to be amended once more, as I am sure they will, the government will have the benefit of the collective wisdom of the opposition members of the committee.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I merely wish to endorse the well spoken words of the hon. member for Peace River (Mr. Baldwin).

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

* * *

CANADA-JAMAICA INCOME TAX AGREEMENT ACT, 1971

IMPLEMENTATION OF AGREEMENT FOR AVOIDANCE OF DOUBLE TAXATION

Hon. John N. Turner (for the Minister of Finance) moved that Bill C-217, to implement an agreement for the avoidance of double taxation with respect to income tax between Canada and Jamaica, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Again being unprovocative, Mr. Speaker, but just a trifle longer, I am sure that when this bill is referred to the standing committee members of all parties, as they did in the case of Bill C-191, will have an opportunity to suggest improvements.

The purpose of this bill is to implement an agreement with Jamaica for the alleviation of double taxation on certain categories of income. Canada now has international agreements with 15 other countries relating to income taxation. Such an agreement, in fact, existed between Canada and Jamaica for some time by virtue of a special provision of the 1946 Canada-United Kingdom income tax agreement which extended its application to a number of Commonwealth territories. In 1965, that agreement with the U.K. was terminated and Jamaica was not party to the new Canada-U.K. agreement. Shortly thereafter, following the 1966 Commonwealth Caribbean-Canada conference, negotiations began with Jamaica for a comprehensive tax agreement. However, they were interrupted after the report of the Royal Commission on Taxation was made public early in 1967. The pending reform of the Canadian tax system made it difficult for Canada to contemplate the negotiation of comprehensive fiscal arrangements with Jamaica or, indeed, with any other country.

In 1970 Jamaica introduced a fundamental reform of its system of taxing corporate earnings and distributions. The government of Jamaica approached Canada to explore the possibility of entering into a special agreement in order to alleviate the adverse effects of the Jamaican tax changes on those Canadians with Jamaican investments or business activities. Over the years Canadian capital has been a significant factor in the development of Jamaica.

In view of the special circumstances involved and of the special relationship which has long existed between our two countries, it seemed appropriate to conclude an agreement which would also serve in an important way to facilitate Canadian investment in Jamaica. The agreement, which is appended as a schedule to this bill, is of limited scope. As reflected in the preamble to the agreement, it is intended as an interim arrangement to be replaced by a more comprehensive agreement as soon as the program of tax reform, now under way in both countries, permits. The agreement deals with the taxation of four categories of income: dividends, management and technical service fees, teachers' salaries and the earnings of non-resident employees.

• (4:40 p.m.)

On dividends, the withholding tax is restricted to a maximum rate of 22½ per cent. This represents a reduction from a 37½ per cent statutory rate in Jamaica. It will have no effect on the existing rate of Canadian withholding tax, which remains at 10 per cent for dividends paid by companies with a degree of Canadian ownership and 15 per cent in other circumstances. On management and technical service fees, the Jamaican withholding tax is reduced from 25 per cent to 12½ per cent on the gross amount of the payment. The same rate will apply to interest, rent and royalty payments to Canadian recipients. The agreement also contains additional technical provisions designed to provide effective double taxation relief on such items of income.

The Jamaican tax on dividends and fees for management and technical services paid to Canadians is automatically reduced should Jamaica impose a lower rate of tax on such payments to residents of any other country outside the Caribbean Free Trade Association.

Under another article of the agreement, Canadians are entitled to a two-year exemption from Jamaican tax on any remuneration from teaching in Jamaica. This represents a special concession on Jamaica's part to attract Canadian teachers. The agreement does not provide for

a reciprocal concession by Canada. The government has already given notice of its intention to negotiate the termination of the special treatment given foreign professors and teachers under a number of Canada's existing treaties. In addition, each country agrees to exempt from tax up to $2,500 of the remuneration of temporary employees who are resident in the other country.

Finally, the benefits of the agreement will extend from the beginning of 1970, the date on which the Jamaican corporate tax reform took effect.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, it is obvious from what the parliamentary secretary has said that this bill lends itself to consideration by a Standing Committee. There are complexities in some of its provisions, and the committee will have an opportunity to study them and report to the House. I end by saying that while I do not usually pay tribute to the Minister of Finance (Mr. Benson), I must in this case. I notice this agreement was made at Kingston, Jamaica, on January 4, 1971. I commend the dedication to duty of the minister who was prepared to sacrifice his winter vacation and go to Jamaica to execute the agreement at that time of the year.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, as has been indicated, this is the type of bill that can be dealt with best in a committee and we are happy to concur in the motion for second reading in order that this may be done.

While I am on my feet, as ministers used to say before Mr. Speaker got wise to the trick, it seems to me that the best way to achieve avoidance of double taxation between Canada and Jamaica would be for Jamaica to become part of Canada. Bearing in mind the kind of weather we have had for the past few weeks and the kind of weather that exists outside today, I think if I were to move such a motion at this time it might receive unanimous consent.

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

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Baldwin: Mr. Speaker, may we call it five o'clock?

Mr. Deputy Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: By consent, this House stands adjourned until Monday next at two o'clock p.m., pursuant to Standing Order 2(1).

At 4.45 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, February 8, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

MOVEMENT OF SOUTH VIETNAMESE TROOPS INTO LAOS—STATEMENT BY MINISTER

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, hon. members are aware of the movement of South Vietnamese troops into Laos with the support of United States air and other elements based in South Viet Nam.

The government, of course, is concerned about any violation of Laotian neutrality and, as a signatory of the 1952 protocol of the Geneva Agreement on Laos and a member of the International Control Commission for Laos, we support fully the demand of Laotian Prime Minister Prince Souvanna Phouma that the neutrality of Laos be respected by all parties. The disregard for Laotian neutrality by neighbouring states has been the subject of complaints to the International Control Commission from the Royal Laotian government for some years now and we have on several occasions within the International Control Commission supported commission activity to investigate these complaints.

Unfortunately we have had no success in persuading our colleagues on the International Control Commission to undertake investigations of the Laotian government complaints, the most recent of which were made in the middle of last year, in that instance against North Viet Nam. Despite this past failure we are, nevertheless, instructing the Canadian commissioner on the Laos International Control Commission to request an urgent meeting of the commission to discuss the situation in southern Laos and to undertake appropriate action to initiate an investigation of outstanding complaints of violations of the neutrality of Laos by whatever foreign forces.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I say a few words in response to the statement of the Secretary of State for External Affairs, as the hon. member for Fundy-Royal did not hear the whole statement and the Secretary of State for External Affairs did not give any prior indication of a statement on this subject.

• (2.10 p.m.)

I must say, first of all, that it does not seem to take things very far for Canada simply to continue to protest against the breaching of the neutrality of Laos by various neighbours. This in itself may tend to make us feel a little more virtuous but it does not do anything to restore peace in Laos.

I am pleased that the Secretary of State for External Affairs has renewed his attempts to reactivate the efforts of the commission with a view to conducting an investigation. I am sure this move will certainly receive the support of my own party. However, the minister did not indicate in his remarks what effort, if any, is being made to generate support among other countries for this intiative. In other words, Sir, the Secretary of State for External Affairs has not made clear whether this is simply a request Canada has made and is leaving at that, or whether Canada is moving energetically on various fronts to generate support from other countries for the reactivation of the commission and the conducting of this kind of inquiry. The making of this request by itself may be helpful but if it is merely left there it may not amount to anything. It would be helpful to have the minister throw further light upon the question of precisely what the government of Canada intends to do.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, the invasion of Laos by South Vietnamese forces with the assistance of United States forces threatens a new escalation of this disastrous war and the piling of disaster upon disaster. I am glad the Secretary of State for External Affairs was able to tell us that Canada has protested, but I wonder whether protests are enough when both sides have repeatedly violated the neutrality of Laos and Cambodia and when the Geneva agreements have been torn to shreds by both sides in this conflict. I wonder whether it is consistent with the dignity of Canada any longer to remain a member of the International Control Commission which controls nothing in these countries. I wonder whether serious thought should not be given to Canada's withdrawal. I would be very much in favour of the reactivation of the International Control Commission if there were the slightest likelihood that it would be effective, but if not I would like to see it withdrawn.

I conclude by saying that while the United Nations has not always been effective it is the international forum for the conscience of mankind, and I wonder whether the repeated violation of the rules in Southeast Asia is not a matter which should once again be taken to the forum of the United Nations.

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, the announcement by the Secretary of State for External Affairs (Mr. Sharp) of the invasion of Laos by South Vietnamese troops causes us great concern.

It all means that the population will have to suffer and make sacrifices because of this endless war, which has

already been going on for some 30 years. We support Canadian initiatives and efforts toward prompt achievement of peace in the South of Asia. We urge the Secretary of State for External Affairs to continue his efforts to that end.

* * *

[*English*]

LABOUR CONDITIONS

IMMEDIATE MEASURES TO COPE WITH UNEMPLOYMENT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I ask for unanimous consent under Standing Order 43 to make a motion in respect of an urgent and pressing matter.

This country and this parliament need no reminder that unemployment, so degrading and humiliating to hundreds of thousands of victims, is the number one problem in the country, nor that this Prime Minister and federal government which deliberately created it now wilfully refuse to provide any immediate relief.

Mr. Speaker: Order, please. I have to interrupt the hon. member who knows, as well as any other hon. member, what are the restrictions regarding the proposing of a motion under Standing Order 43. The arguments which can be put forth are relatively limited. I suggest to the hon. member that he cannot argue the case; he can only indicate why there is urgency. Perhaps I interrupted the hon. member too soon and the remarks he has been making are purely introductory, but there should be a limitation. If we place ourselves in the position where every day we have a number of motions under Standing Order 43 and general statements are made by the hon. members proposing these motions, we will put ourselves into procedural difficulties. I would therefore invite the hon. member to keep this in mind, as I am sure he will.

Mr. Baldwin: I quite agree, Your Honour, that we must establish as a condition precedent urgent and pressing necessity, which I was attempting to do.

The federal government, which is primarily responsible for unemployment, is now meeting with the provinces in Ottawa and there is an indication that some provinces do recognize the urgency. If the senior authority can be made to realize its duty, then together, even at this late date, something can be done to respond to these imperative needs. I therefore ask leave to move the following motion, seconded by the hon. member for Saint John-Lancaster (Mr. Bell):

That this House speaking for the people of Canada urges the governments of Canada and of the provinces at the current federal-provincial conference to give priority to immediate measures to deal with the current unemployment crisis.

Mr. Speaker: The House has heard the motion which would be proposed by the hon. member for Peace River. The motion has been submitted under the terms of Standing Order 43 which requires unanimous consent of the House. Is there agreement?

[Mr. Rodrigue.]

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimity, the motion cannot be put.

An hon. Member: Who says no?

* * *

[*Translation*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

MEASURE TO CHANGE NAME OF CONSTITUENCY

Mr. Jacques-L. Trudel (Bourassa) moved for leave to introduce Bill C-223, respecting the Electoral Boundaries Readjustment Act.

Some hon. Members: Explain.

Mr. Trudel: Mr. Speaker, the purpose of this bill is to change the name of the riding of Bourassa to that of Montreal-Bourassa, in order to eliminate the confusion arising from the fact that both federal and provincial ridings bear the same name without having the same geographical boundaries.

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

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

JAPANESE OWNERSHIP IN CANADIAN MINES

Question No. 247—**Mr. Saltsman:**

Have any government officials given written or verbal assurances to a Japanese Trade Mission in Ottawa during the Summer that Japanese companies would be allowed as much as 50 per cent ownership in new Canadian mines in which they buy minerals and, if so, who are these officials?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): While discussions were held with Canadian Government officials concerning Japanese interest in investment in the Canadian mining industry during the visit of the Japanese mining mission to Canada in September 1970, there were no assurances, written or verbal, made by Government officials with respect to the subject of an acceptable level.

ARRESTS UNDER PUBLIC ORDER REGULATIONS 1970

Qusetion No. 248—**Mr. Brewin:**

1. How many arrests have been made under the provisions of the Public Order Regulations 1970 being P.C. 1970-1808?

2. In which provinces have the arrests been made and how many arrests have been made in each?

3. How many of those arrested under the said Order are still in detention?

4. How many have been charged with offences and what are the offences with which they have been charged?

5. How many of those arrested or detained under the said Order have been released?

6. How many have been convicted of offences under the said Order?

7. As a result of searches made under Section 10 of the said Order or Regulations what amounts of offensive weapons have been found and/or seized?

8. What is the nature of the weapons so found or seized?

Hon. Jean-Pierre Goyer (Solicitor General): I am informed as follows: 1. Three hundred and seventy-two as of October 23, 1970.

2. All above arrests were made in the Province of Quebec.

3. One hundred and ninety-eight people were still in custody as of October 23, 1970.

4. None of those arrested under P.C. 1970-1808 had been charged as of October 23, 1970.

5. One hundred and seventy-four were released as of October 23, 1970.

6. Up to and including October 23, 1970 none had been convicted.

7. Thirty-three firearms and 21 offensive weapons were seized as of October 23, 1970.

8. Shotguns, rifles, revolvers, other firearms, four bayonets, four machetes, nine various hunting knives, one sabre and three smoke grenades.

NAMES OF PERSONS ARRESTED UNDER PROVISIONS OF PUBLIC ORDER REGULATIONS, 1970

Question No. 249—**Mr. Brewin:**

What are the names of the persons throughout Canada who have been arrested or detained under the provisions of Public Order Regulations 1970 P.C. 1970-1808?

Hon. Jean-Pierre Goyer (Solicitor General): It is not in the public interest to release the names of those arrested and then released, unless they have been appropriately charged under the War Measures Act or the Criminal Code.

MILITARY ITEMS AND EQUIPMENT SOLD TO PORTUGAL

Question No. 290—**Mr. MacDonald (Egmont):**

1. (a) What was the exact nature and intended use of the automobile parts sold to Portugal between 1960 and 1969 for which $86,360 was expended as indicated in the answer to Question Number 1,617 on October 7, 1970 (b) what was the exact nature and intended use of the radar equipment for which $28,261 was expended (c) in detail what was the exact nature and intended use of the items purchased by Portugal for which the amount of $51,242 was expended?

2. Has any attempt been made by the Department of External Affairs or the Department of Industry, Trade and Commerce to ascertain whether aircraft made in Canada are being employed in Portugal or any of its colonies for military purposes?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): 1. The Department of Industry, Trade and Commerce advises that: (a) the automotive items were parts for tanks and vehicles. The parts were for use in carrying out roles within NATO. (b) The equipment consisted of spares for a surveillance search radar. The parts were for use in carrying out roles within NATO. (c) The items were accessories for us with small arms and transportation equipment. The parts were for use in carrying out roles within NATO.

2. The Department of Industry, Trade and Commerce and the Department of External Affairs have no information to indicate that there are Canadian built aircraft operating in Portugal or its colonies for civilian or military purposes.

REPORTS ON AIR POLLUTION IN WINDSOR/DETROIT AREA

Question No. 481—**Mr. Anderson:**

Is the government willing to release two reports on air pollution in the Windsor/Detroit area, entitled "Sulphate and Sulphuric Acid Levels in Windsor Air" and "The Calcium to Sulphate Ratio in Windsor Air" to medical researchers wishing to investigate deaths due to respiratory illnesses in the area?

Hon. John C. Munro (Minister of National Health and Welfare): The two reports on air pollution in the Windsor/Detroit area, entitled "Sulphate and Sulphuric Acid Levels in Windsor Air" and "The Calcium to Sulphate Ratio in Windsor Air" were tabled in the House on November 18, 1970.

INTERNATIONAL PROTOCOL ON PSYCHOTROPIC SUBSTANCES—MEMBERS OF CANADIAN DELEGATION

Question No. 538—**Mr. Orlikow:**

1. What are the names of the members of the Canadian delegation to the negotiations on the international protocol on psychotropic substances?

2. Is it the intention of the government to ratify the protocol before the Report of the Commission of Inquiry into the non-medical use of drugs?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Representative: Dr. J. Maurice LeClair, Deputy Minister of National Health, Department of National Health and Welfare, Ottawa.

Alternate Representatives: Dr. R. A. Chapman, Assistant Deputy Minister, (Food and Drugs), Department of National Health and Welfare, Ottawa; Mr. J. D. McCarthy, Director, Legal Services, Department of National Health and Welfare, Ottawa; Dr. Aurèle Beaulnes, Coordinator of the Non-Medical Use of Drugs Program, Department of National Health and Welfare, Ottawa; and Miss Pauline Sprague, Criminal Law Section, Department of Justice, Ottawa.

Advisors: Mr. R. C. Hammond, Chief, Division of Narcotic Control, Department of National Health and Welfare, Ottawa; and Mr. R. D. Auger, Third Secretary and Vice-Consul, Permanent Mission of Canada to the United

Nations, Geneva and to the Conference of the Committee on Disarmament.

2. No.

CBC—BROADCASTS TO MARITIME PROVINCES

Question No. 544—**Mr. Macquarrie:**

1. What areas of the Maritime Provinces are now able to receive CBC FM broadcast in English?

2. What is the location of English language FM transmitters in the Maritime area?

3. What is the estimated number of listeners in (a) Prince Edward Island (b) New Brunswick (c) Nova Scotia, who will be able to hear the CBC's projected Radio Two Programs?

4. Has any department any knowledge of plans, policies or efforts likely to provide alternate TV service to viewers in Charlottetown and other areas in Prince Edward Island and, if so (a) what are they (b) when is it estimated that alternative channels will be available to these viewers?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. None.

2. There are no FM transmitters carrying CBC FM programming in the Maritimes at present.

3. Estimated number of listeners to CBC-owned AM radio stations in the Maritimes: (a) 10,000; (b) 59,000; (c) 112,000. Until a full distribution system may be possible for both Radio One and Radio Two, communities served by only one AM transmitter will receive a mixture of the two CBC radio services. It may take over five years to complete the distribution system.

I am informed by the Canadian Radio-Television Commission as follows:

4. The Commission has had discussions with various parties with the objective of providing alternate TV service to viewers in Charlottetown and other areas in Prince Edward Island. Discussions are continuing and therefore there is no information which could be given at this time.

[*English*]

INTERNATIONAL PROTOCOL ON PSYCHOTROPIC SUBSTANCES—MEMBERS OF CANADIAN DELEGATION

Question No. 583—**Mr. Alexander:**

1. Who will represent Canada during the final negotiations on the international protocol on psychotropic substances

2. What are their qualifications or experience in dealing with the question of drug abuse?

Hon. John C. Munro (Minister of National Health and Welfare): 1. See answer to Part I of Question 538 today.

2. All members of the Canadian delegation have extensive experience and qualifications in dealing with questions related to the protocol on psychotropic substances. Their specific areas of expertise and experience are indicated in the answer to question 1.

[Mr. Munro.]

COMBINES—TAITE AND LYLE—INFLUENCE ON CANADIAN SUGAR POLICY

Question No. 649—**Mr. Watson:**

1. Does the government have any information which would indicate that the London based, Taite and Lyle, multi-national group of companies is an international sugar cartel and, if so, does the Department of Industry, Trade and Commerce allow that group to influence in any way Canadian trade policy in sugar?

2. Does the Minister contemplate the development of a national Canadian policy on sugar in the near future?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. In response to question No. 2039 (*Hansard*, April 30, 1969, at pages 8161-8162) it was stated that since it was a matter of public knowledge, an application under section 7 of the Combines Act by Roberta Gray et al relating to the sugar industry in Eastern Canada had been received and that the Director under the Act was carrying out his statutory duty. It is not the policy under the Act to disclose whether or not particular information or evidence has been obtained in an inquiry unless and until it is disclosed in a published report or in proceedings before the courts.

2. No change in the Canadian policy on sugar is contemplated at the present time. The Tariff Board currently is reviewing the rates of duty and tariff nomenclature for sugar and related products.

USE OF FEDERAL AIRCRAFT WITHIN BOUNDARIES OF ABITIBI CONSTITUENCY

Question No. 659—**Mr. Laprise:**

How many trips were made by federal government aircraft within the boundaries of the constituency of Abitibi during the years 1968, 1969, 1970?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the government that statistics are not now maintained in a manner which would readily provide this information. To obtain the information requested in the question would necessitate the carrying out of a special survey, and the necessary expert staff is not available to undertake the large amount of work which would be required to provide an accurate answer. This special survey would also require an extremely large expenditure.

DELISLE, SASK.—ASSISTANCE FOR LOW RENTAL HOUSING

Question No. 676—**Mr. Gleave:**

1. How much money is being contributed by the following toward dwelling units for low-income families in Delisle, Saskatchewan (a) the federal government (b) the provincial government (c) the Town of Delisle?

2. What amount was paid for the land involved?

Hon. Robert K. Andras (Minister without Portfolio): 1 and 2. The Federal government is not presently involved in the development of a housing project for low-income families in Delisle, Saskatchewan.

PRINCE ALBERT, SASK.—ASSISTANCE FOR LOW RENTAL HOUSING

Question No. 677—**Mr. Gleave:**

1. How much money is being contributed by each of the following toward the 65-unit low-rental housing project in Prince Albert, Saskatchewan (a) the federal government (b) the provincial government (c) the City of Prince Albert, Saskatchewan?

2. What amount was paid for the land involved?

Hon. Robert K. Andras (Minister without Portfolio): 1. (a) Central Mortgage and Housing approved a loan of $554,040 in December, 1970, under Section 16 of the National Housing Act to assist in the financing of a low-rental housing project in Prince Albert, Saskatchewan, the loan being repayable over a term of 50 years at an interest rate of 7⅞ per cent.

2. Since this low-rental project is privately sponsored, information with respect to the purchase price of the land is not available.

DEVELOPMENT GRANT TO ARMCO, CANADA LIMITED, REDWATER, ALBERTA

Question No. 747—**Mr. Mazankowski:**

Was a area development grant awarded to ARMCO, Canada Limited, Redwater, Alberta and, if so (a) what was the amount (b) how many people are now employed on a permanent basis?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Yes. (a) $152,682, (b) We have been informed by the company that 5 persons are now employed on a permanent basis.

DEVELOPMENT GRANT TO IMPERIAL OIL LIMITED, REDWATER, ALBERTA

Question No. 754—**Mr. Mazankowski:**

Was an area development grant awarded to Imperial Oil Limited, Redwater, Alberta and, if so (a) what was the amount (b) how many people are now employed at both fertilizer plants on a permanent basis?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): (a) A grant of $5,000,000 was made to each of two plants. (b) We have been informed by the company that 213 persons are employed on a permanent basis and an additional 92 are employed on contract from outside agencies.

METROPOLITAN TORONTO—REGIONAL DEVELOPMENT LOANS

Question No. 789—**Mr. Robinson:**

1. How many Regional Development loans, if any, have been made in the Metropolitan Toronto area?

2. What was the amount of each loan?

3. What is the name of each company who received such loan?

4. How many loans, if any, are presently being considered for the Metropolitan Toronto area and what is the amount of each and to what company will each be awarded?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. None.

2. N/A.

3. N/A.

4. None.

ONTARIO AND QUEBEC—NUMBER OF VETERANS IN RECEIPT OF PENSIONS

Question No. 829—**Mr. Valade:**

How many veterans in (a) Ontario (b) Quebec receive a pension from the Department of Veterans Affairs?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): (a) 46,108; (b) 15,382.

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QUESTIONS PASSED AS ORDERS FOR RETURNS

ROYAL COMMISSIONS PRESENTLY OPERATING

Question No. 359—**Mr. Coates:**

How many Royal Commissions are presently operating (a) what are the subjects covered in each instance (b) for what period of time have they been in existence (c) what are the names of the members in each instance (d) how much has each received in honorarium and expenses (e) what has been the cost to date of each Royal Commission (f) what will be the final estimated cost in each instance (g) what is the anticipated date on which they will conclude their work?

Return tabled.

PRINCE GEORGE, B.C.—RENTAL OF SPACE BY FEDERAL GOVERNMENT

Question No. 542—**Mr. Howard (Skeena):**

Does the government, or any agency or department thereof, rent or lease any office or other space in Prince George, B.C. and, if so, what is (a) the name of each such agency or department (b) the amount of space so rented or leased by each (c) the date upon which each such rental or lease arrangement came into effect (d) the length of time of each lease (e) the amount paid annually for so renting or leasing (f) the name of each company or person from whom space is so rented or leased?

Return tabled.

ASSISTANCE UNDER INDIAN INTEGRATION PROGRAMS

Question No. 601—**Mr. Nowlan:**

In each of the past five years, how many persons are estimated to have been assisted in programs in the Indian integration category, and at what cost?

Return tabled.

COST OF ROYAL COMMISSIONS

Question No. 623—**Mr. Yewchuk:**

1. (*a*) What has been the total cost of the Royal Commission on the Status of Women in its investigation and production of a report (*b*) what has been the total cost of the Le Dain Commission in its inquiry into the non-medical use of drugs (*c*) what has been the total cost of the Barber Commission on Farm Machinery?

2. What were the salaries and total expense accounts of each of the members of the Commissions?

Return tabled.

Inquiries of the Ministry

ROYAL COMMISSIONS ESTABLISHED SINCE JANUARY 1964

Question No. 633—**Mr. Valade:**

Since January 1964 (a) how many Royal Commissions were established (b) what was the name of each (c) what was the cost of each?

Return tabled.

INDIAN AFFAIRS—STUDIES CONDUCTED BY DEVELOPMENT ANALYSIS SECTION

Question No. 741—**Mr. Howard (Skeena):**

What studies have been conducted by the Development Analysis Section of the Northern Economic Development Branch of the Department of Indian Affairs and Northern Development, and (a) what were the amounts spent on each of these studies (b) who conducted these studies (c) what is the status of each study?

Return tabled.

APPLICATIONS FOR GRANTS UNDER MANPOWER MOBILITY PROGRAM

Question No. 745—**Mr. Skoberg:**

1. With reference to the Department of Manpower and Immigration recent publication "Manpower Mobility Program Follow-up Study", prepared by Kates, Peat, Marwick and Co., dated March 31, 1969, how many applications for a relocation grant since the inception of this plan until December 31, 1970 have been refused?

2. How many applications for relocation grants under the Manpower Mobility Program have been refused by province?

3. On what grounds was the majority of the applications for a relocation grant under the Manpower Mobility Program refused?

4. How many applications for grants under the Manpower Mobility Program have been accepted by province?

5. What is the total amount of the grants paid for those qualifying under the Manpower Mobility Program by province?

Return tabled.

Mr. Orlikow: Mr. Speaker, I do not like to bother the parliamentary secretary but question No. 79 has been on the order paper since the first day of the session and it was on the order paper last session. In fact it has been on the order paper for almost a year. I know the Prime Minister has a big staff of consultants, but surely it should not take that long to let us know who they are and what they are doing.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

UNEMPLOYMENT—NEW PROPOSALS TO FEDERAL-PROVINCIAL CONFERENCE—BUSINESS INVESTMENT FORECASTS—STIMULATION OF ECONOMY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, as is becoming almost normal I would like to direct a question to the Minister of Finance. In view of the problems relating to unemployment and the deep concern expressed about this subject by a number of the provincial premiers, I would like to ask the Minister of Finance whether he or any of his colleagues intend to make any new proposals to the federal-provincial conference that is taking place—that is, to the provincial premiers—or whether it is simply the intention of the government to defend the proposals and arrangements it has already made?

[Mr. Yewchuk.]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, tomorrow we intend to discuss fully with the provincial premiers the economic matters which will be raised by them.

Mr. Stanfield: Mr. Speaker, that is not very encouraging particularly in view of the forecast of business investment made by the Economic Council of Canada, based upon studies conducted last autumn. In view of this forecast, described as the most pessimistic medium-range forecast the Council has made since its establishment and which forecast has even been described as too optimistic by the well known firm of James Richardson and Sons, I would like to ask the Minister of Finance whether he now proposes to undertake any measures designed to give some vigorous stimulation to the economy?

Mr. Benson: Mr. Speaker, if one takes a look at the comments of the Economic Council it will be seen that it pointed out to business, as I have often done, the stimulus included in the special provision in my recent budget through increased depreciation. It also pointed out that in the first year its forecast with regard to expansion of new business investment was about 2 per cent less than that given by the Department of Industry, Trade and Commerce. I think we can stick by our forecast of an 11 per cent increase.

Mr. Stanfield: Mr. Speaker, I would like to ask the Minister of Finance whether he simply proposes to stick to his own forecast in light of the very pessimistic forecast that the Economic Council has made with regard to business investment in 1972, which is hardly the stuff of which business expansion is made? Does he intend to stick stubbornly to his own forecast, or does he intend to put something forward that will effectively encourage business expansion?

Mr. Benson: Mr. Speaker, I would think, based on past experience, that a survey taken in October, 1969, is not a very good forecast of what is going to happen a year and a half later.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since the Economic Council estimates that business capital investment for 1971 will increase by only 9 per cent compared with the government's estimate of 11 per cent, and that for 1972 it will actually decline back to the 1970 level, may I ask the minister whether he is preparing, either in his budget or in any legislation

which he will bring before the House, measures designed to stimulate capital investment, certainly for 1972, because if the forecast is correct the level will actually decline?

Mr. Benson: Mr. Speaker, if my hon. friend will take a look at the recent budget I presented in December he will find that there is considerable stimulus there for capital investment by business.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact—

Mr. Benson: And the Economic Council agrees with that.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since the Economic Council's survey shows a very pessimistic outlook for 1972, is the government taking any measures to provide adequate social capital for 1971 and 1972, particularly in view of the statement that investment, for instance, in university construction will actually decline in 1972 by 10 per cent below the present level?

Mr. Benson: Mr. Speaker, if one takes a look at my budgetary forecast which I brought forward in December, one will find that the government has provided a stimulus, on the budgetary side alone, to the tune of some $600 million in 1971 and 1972 and over all, cashwise, to the tune of some $2 billion.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask another supplementary question, Mr. Speaker?

Mr. Speaker: Order, please. The hon. member will be allowed to ask his supplementary, but I am wondering whether we are not at this time entering on the budget debate. There are still two more days of that debate remaining and I assume it will be brought before the House again in a short while. Having said this, I gather that the hon. member has a supplementary question, as has the hon. member for Peace River, but for the moment the hon. member for Nanaimo-Cowichan-The Islands has the floor.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since the Economic Council of Canada dealt only with the capital spending of business and universities but made no survey of capital expenditures in the fields of agriculture, fisheries or housing, has the government any forecasts of capital expenditures for 1971 and 1972 for those three areas? If the government has, would the minister be prepared to make them available to the House?

Mr. Benson: Mr. Speaker, I wish to indicate that I think there is serious deficiency in the Economic Council's forecast in that such important areas have been left out. For example, housing has been very strong, and the minister in charge of housing will be speaking about this in a few days. It is expected to be very strong in the period under review.

Mr. Stanfield: The government had better change the record.

UNEMPLOYMENT—PROVISION OF MORE LABOUR-INTENSIVE PROJECTS UNDER REGIONAL ECONOMIC EXPANSION PROGRAM

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I direct a supplementary question to the Acting Minister of Regional Economic Expansion? Since the economic expansion program has failed to create enough jobs to provide for even the normal increase in the work force, would the minister review his program with the provincial governments now gathered here and see if it is not possible to provide more labour-intensive projects at this time?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I would remind the hon. member that in December last amendments were passed to the Regional Development Incentives Act which greatly enlarged the programs of the department and those programs have relation to the present situation.

Some hon. Members: Hear, hear!

Mr. Baldwin: That is not what the provinces say.

UNEMPLOYMENT—DISCUSSION AT FEDERAL-PROVINCIAL CONFERENCE—TABLING OF AGENDA

Mr. David MacDonald (Egmont): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister? I believe that last week the Prime Minister indicated that when a decision had been made on the agenda for the present conference of heads of government the agenda would be tabled in the House. Is the Acting Prime Minister prepared to table that document? Could he also indicate when, according to the agenda, the item of unemployment will be discussed, how much time will be devoted to it, and whether it is a priority item at this conference?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I do not have the agenda for the conference. I understand, however, from consulting with my colleagues, that the item of unemployment will be discussed tomorrow morning.

UNEMPLOYMENT—REVISION OF MANPOWER RETRAINING REGULATIONS—DISCUSSION AT FEDERAL-PROVINCIAL CONFERENCE

Mr. David MacDonald (Egmont): Mr. Speaker, may I direct a supplementary question to the Minister of Manpower and Immigration. For some time now I have been trying to find out from the minister the number of people who have applied for training but have not qualified. In view of the difficulties encountered by people applying for training assistance, will the minister be discussing the problem of revising the regulations with the heads of government this week with a view to providing that

greater numbers may make use of the program during this period of high unemployment?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I would not expect that item to come up in the discussions this week, although there certainly is room for constant consultation with the provinces on the question of how best to make our training and operating programs effective. I agree that the hon. member was not able to obtain some figures he wanted about the number of people who had sought training and had not been able to receive it, but we have made some changes there which may allow us to provide better information in the future.

UNEMPLOYMENT—ASSUMPTION OF GREATER SHARE OF WELFARE COSTS BY FEDERAL GOVERNMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance. In view of the increase of 25 to 30 per cent in welfare costs faced by most of the provinces and cities in 1970 and in view of the estimates by both federal and provincial officials that these costs will sharply increase this year, is the federal government considering discussing with the provinces the possibility of assuming a much greater share of the cost of welfare?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I should point out that as welfare costs go up the federal government's costs go up as well. As my hon. friend knows, we pay 50 per cent of the cost. This matter was discussed at the meeting with provincial ministers of health and welfare, but I am not sure whether it will be brought up at this conference.

Mr. Orlikow: Mr. Speaker, what I asked, and I wonder whether the minister could answer, was whether the federal government is giving consideration to increasing the percentage of its share of the cost of welfare. I am not talking of the total cost, of which as it goes up the federal government still pays 50 per cent.

Mr. Benson: Mr. Speaker, no such decision has been made at this time.

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EXTERNAL AFFAIRS

INVASION OF LAOS BY SOUTH VIETNAMESE TROOPS—SIMILAR ACTION BY NORTH VIETNAMESE—SUGGESTED INVESTIGATION BY UNITED NATIONS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State for External Affairs and arises out of the statement that he made at the beginning of the sitting this afternoon in connection with the situation in Laos. Is it not a fact that in the past several months the North Vietnamese have been invading and infiltrating that country, and that no particular criticism has been made by members in certain parts of the House who invariably criticize any action taken by the United States or by the South Vietnamese?

[Mr. MacDonald (Egmont).]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as to whether or not there had been invasion, we did receive complaints from the Royal Laotian government to this effect. We tried in the International Control Commission to have an investigation put in hand and as I said in my earlier statement, we were not successful. This is why in the statement I made I pointed out that I feel the whole question of the situation in southern Laos should be the subject of investigation by the International Control Commission. We took this action on our own initiative in advance of any request.

Mr. Diefenbaker: On the basis of experience which indicates the degree to which the other two members of the International Control Commission actually have dragged their feet and refused to participate in any way, is there not something that could be done by Canada to bring this question directly before the United Nations in order to have a committee of the UN to look into the problem of Laos so as to clear up once and for all the continued condemnation of the United States and those associated with that country who are preserving us against the advance of communism in Asia?

Mr. Sharp: Mr. Speaker, it is not the intention of Canada to bring this matter before the United Nations but I do understand that initiative may be taken to bring the matter before the Security Council by one of the parties mainly concerned.

Mr. Diefenbaker: Which is that?

Mr. Sharp: One of the countries concerned.

Mr. Diefenbaker: But which country?

Mr. Sharp: I am not certain, Mr. Speaker, I have heard some rumours and I do not want to prejudge the success of their application. I think it would be better for them to make their application before I announce it. I should also add that the British government has called on the Soviet government to reconvene the Geneva conference for the purpose of investigating the invasion of the neutrality of Laos.

Mr. Diefenbaker: What was the reaction of the USSR? Did they show the same contemptuous disregard that has existed in the past?

Mr. Sharp: Mr. Speaker, there has been no response.

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INFORMATION CANADA

EXHIBITION BRANCH—REPORTED LEAVING OF DESIGN SECTION PROFESSIONAL STAFF

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister without Portfolio in charge of Information Canada. In view of reports that the entire professional staff of the design section of the exhibition branch of Information Canada is leaving because of the difficulties under which they have

to work, can the minister say what steps are being taken so that we can retain these very valuable employees?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, there has been no indication to me of any such move on the part of the employees. We are very hopeful, of course, that we will be able to retain this very talented staff if sufficient work is committed by departments. As the hon. member knows, we act as a contractor for departments, and to the full extent that work can be committed we would like to retain staff.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, will the minister look into the point I raised, and will he also look into the question whether or not work that might be done by this staff is being let out by contract?

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REGIONAL ECONOMIC EXPANSION

SASKATCHEWAN, WESTERN CANADA—INQUIRY AS TO NEW PROGRAMS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion who, according to the roster, is supposed to be in the House. In his absence I direct my question to the Acting Prime Minister. In light of current statements by the Premier of Saskatchewan, will the government be stating any new positions with regard to regional expansion programs in Saskatchewan and western Canada and, if so, when?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I will direct that question to my colleague.

Mr. Southam: Mr. Speaker, when the minister directs my question to his colleague, would he also ask him whether the minister has replied to the charge by the premier of Saskatchewan that the federal government has been sitting on the initiation of an approved grant to a food processing complex for Saskatchewan and, if so, what was the response?

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INDUSTRY

CONSTRUCTION—INITIATION BY GOVERNMENT OF LONG-TERM MONETARY AND DEVELOPMENT POLICY

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Minister of Finance. In light of the warning by the president of the Canadian Construction Association that the basic problems of the construction industry relate to the widespread swing in construction activity—a feast or famine syndrome—is the government going to construct a long-term monetary and development policy for the construction industry in order to avoid further wide swings in federal policy toward this industry, as recommended by the Economic Council of Canada?

Inquiries of the Ministry

Mr. Speaker: Order, please. The hon. member will recognize, I am sure, that the question is put in wide terms and is one of very general scope. I wonder whether it is in order to ask it in those terms. Perhaps the hon. member might like to cut down the scope of the question so that the Chair can accept it in other terms.

Mr. Carter: Yes, Mr. Speaker. To put my question simply, in view of the problems encountered by the Canadian construction industry and the statement made by the president of that association, can the Minister of Finance say whether the government intends to make any monetary or other policy changes to help the construction industry, as recommended by the Economic Council of Canada?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I do not think that this is a matter to be determined by monetary changes. As far as federal government construction is concerned, we have for the past several years been working out long-range construction programs so that one does not get the dips that usually take place and which bother the construction industry very much. One of their main problems is that when people decide that they are going to economize, or they believe the market is falling, one of the first things they cut down on is capital construction. As the economy goes up and down, capital construction feels it very severely.

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INQUIRY OF THE MINISTRY

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Since the Minister of Supply and Services will be addressing a public meeting in Southey, Saskatchewan, this coming Saturday, would the minister be prepared to substitute himself on that occasion and discuss with the people of that area why he and the hon. member for Assiniboia proposed to the Postmaster General the closure of a post office in that area?

Mr. Speaker: Order, please.

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FINANCE

REQUEST FOR STATEMENT ON REPORTS OF HOUSE AND SENATE COMMITTEES ON TAX REFORM WHITE PAPER TO ASSIST INDUSTRY

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Finance. Since several pulp and paper companies are withholding expansion plans in Canada, according to the Economic Council, would the minister now consider making some sort of temporary reply to the Senate and House committee reports on the white paper on tax reform in order to clear up the indefiniteness as to the financial position of the country?

Hon. E. J. Benson (Minister of Finance): I do not think that has anything to do with the question of the pulp and paper industry expanding at the present time.

Inquiries of the Ministry

Mr. Bell: In view of the need to plan this spring to make work available during the coming summer, and especially in view of the fact that many young people, even the sons of some Members of Parliament, may not be able to get jobs, will the minister make a statement to try to clear up the uncertainty which is spreading throughout the country?

Mr. Benson: I have indicated how we shall proceed in connection with tax reform; I have indicated this clearly to the House and it is the intention to do that.

PROCEDURE FOR PRESENTATION OF TAX REFORM LEGISLATION

Mr. Robert McCleave (Halifax-East Hants): A supplementary question to the Minister of Finance. Does he intend to proceed with tax reform on the basis of a budget or on the basis of a separate bill?

Hon. E. J. Benson (Minister of Finance): If it is involved in a budget it will mean a separate bill anyway.

Mr. McCleave: Mr. Speaker, I am asking the Minister of Finance whether he will make a statement about tax reform which will be accompanied by a separate bill or whether he will do it in the course of a budget speech with associated legislation?

Mr. Benson: One could do it either way. If I made a statement involving tax reform it might be considered by many as being tantamount to a budget. I could also make it in a budget speech, but in any case it has to be followed by a separate bill in the form of amendments to the Income Tax Act.

Mr. McCleave: I am asking which course the minister will take. If I cannot get an answer now, may I call it ten o'clock?

Mr. Speaker: Order, please. It is not quite that late yet.

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

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GRAIN

INQUIRY AS TO CLOSING OF 1969-70 WHEAT POOL AND FINAL PAYMENT

Mr. A. B. Douglas (Assiniboia): My question is for the minister in charge of the Wheat Board. In view of the fact that an announcement was made recently about the closing of the 1969-70 oats and barley accounts of the Canadian Wheat Board and the final payments involved, can the minister tell us when the 1969-70 wheat accounts will be closed and the approximate size of the final payment which may result?

Hon. Otto E. Lang (Minister of Manpower and Immigration): No, Mr. Speaker, I cannot give this information now. The previous year's pool for wheat was not closed until June 30. I would hope that the pool which is still open may be closed somewhat before that date, but I cannot be more definite than that.

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CANADIAN WHEAT BOARD

INQUIRY AS TO REPORT ON OPERATIONS

Mr. A. P. Gleave (Saskatoon-Biggar): Can the minister in charge of the Wheat Board tell us when the report of the committee which was set up to study the operation and marketing methods of the Canadian Wheat Board will be tabled for the information of the House?

Hon. Otto E. Lang (Minister of Manpower and Immigration): The report is in the process of being translated and printed and it will be available to the public as soon as this has been completed.

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GRAIN

INQUIRY AS TO CORRESPONDENCE CONCERNING RAPESEED FUTURES OPERATIONS

Mr. A. P. Gleave (Saskatoon-Biggar): Further to my earlier question to the minister responsible for the Wheat Board with regard to rapeseed futures operations at Thunder Bay and Vancouver, is the hon. gentleman now prepared to table the correspondence between his office and the officials of the Winnipeg Grain Exchange—

Mr. Speaker: Order. I am not sure that this is really a supplementary, but the question having been asked, perhaps the minister would like to reply.

Hon. Otto E. Lang (Minister of Manpower and Immigration): The item is on the order paper and is being dealt with in the usual way.

1969-70 BARLEY DELIVERIES—FORWARD SALES—PRICE RECEIVED

Mr. John L. Skoberg (Moose Jaw): Of the 163 million odd bushels of barley delivered to the Canadian Wheat Board in the 1969-70 crop year, can the minister tell us what amount of this barley was involved in forward sales and what price was received from the Wheat Board for this barley?

Hon. Otto E. Lang (Minister of Manpower and Immigration): No, Mr. Speaker, it would not be customary to comment on such items.

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FINANCE

USE OF ECONOMIC COUNCIL CAPITAL INVESTMENT FORECAST IN PREPARING DECEMBER BUDGET

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Minister of Finance whether the

budget presented to the House in December last was prepared with the Economic Council's forecast concerning capital spending in mind?

Hon. E. J. Benson (Minister of Finance): We had our forecast for the oncoming year available to us, developed by the Department of Industry, Trade and Commerce. It was based on that. Incidentally, it is very close to the forecast of the Economic Council.

Mr. Stanfield: Am I to gather from the minister's answer that he did not have available to him the forecast made by the Economic Council based upon returns compiled by the council as of October?

Mr. Benson: I have no secret access to the Economic Council.

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INQUIRY OF THE MINISTRY

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Finance. In view of the fact that an old age security pensioner from Trail wishes to return the lavish 42-cent raise recently granted by the government, will the minister accept this 42-cent contribution so as to ease the conscience—

Mr. Speaker: Order, please.

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FINANCE

GOVERNMENT ECONOMIC OBJECTIVES AND POLICIES FOR 1971—PROPOSED PORTABLE WELFARE GRANT SCHEME

Mr. S. Perry Ryan (Spadina): My question is for the Minister of Finance. In light of the call by the Premier of British Columbia to declare a one-year moratorium on constitutional talks, and in face of the unemployment and economic difficulties in which the country finds itself, does the government now intend to outline its economic objectives and policies for 1971 and give a specific date for a full employment economy?

Mr. Speaker: Order. The hon. member is asking the minister or someone on behalf of the government to make a statement very general in nature. I would not think this should be done at the present time.

Mr. Ryan: With respect, Your Honour, I was asking him to give a specific date for a full employment economy in Canada. This is very urgent.

An hon. Member: What time of the day?

Mr. Speaker: I would not think a question in those terms was in order. The hon. member might be allowed to rephrase the question.

Mr. Ryan: Will the government at least reconsider British Columbia's request for a portable welfare grant scheme under the Canada Assistance Plan?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): I think that is a matter for submission by British Columbia to the government. Of course, we always consider submissions by British Columbia. With respect to the economic forecast for 1971, I would suggest that the hon. member read my speech—

Mr. Speaker: Order, please.

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GRAIN

PROGRESS OF NEGOTIATIONS ON NEW AGREEMENT TO REPLACE INTERNATIONAL GRAINS ARRANGEMENT

Right Hon. J. G. Diefenbaker (Prince Albert): I direct this question to the Minister of Manpower who reports for the Wheat Board. Is the minister now in a position to place before the House a general picture as to the degree of success or failure being attained by the conference in Geneva on international wheat matters?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Not yet, Mr. Speaker.

Mr. Diefenbaker: Is there justification for the very strong rumour that there has been a virtual collapse of the discussions there, three weeks having gone by without any progress being made?

Mr. Lang: As my previous answer indicated, I do not think it would be timely to report to the House on these negotiations.

Mr. Diefenbaker: When the minister, as ringmaster of the cabinet safari, goes to Saskatchewan on Friday or Saturday next, will one or other of the 20 cabinet ministers present, but not for athletic purposes, let the people of Saskatchewan and western Canada know what hope there is for the future in connection with the sale of wheat at a fair and reasonable price?

Mr. Speaker: Order, please.

* * *

EXTERNAL AFFAIRS

SUGGESTED RESIGNATION OF CANADA FROM INTERNATIONAL CONTROL COMMISSION FAILING INVESTIGATION OF LAOS SITUATION

Mr. Robert P. Kaplan (Don Valley): My question is for the Secretary of State for External Affairs. Will Canada consider resigning from the International Control Commission if it is not successful in persuading its fellow members of the commission to investigate the Laotian situation?

Mr. Speaker: The hon. member will recognize that the question as asked is hypothetical.

Inquiries of the Ministry

MANPOWER

PLANS FOR PROVISION OF SUMMER EMPLOYMENT FOR STUDENTS

Mr. W. B. Nesbitt (Oxford): This is a question for the Acting Prime Minister because it also involves one or two other ministers. In view of the great concern, particularly among university students, as to future summer employment, will the Acting Prime Minister undertake to tell us at the earliest opportunity, or have one of his colleagues do so, exactly what type of plan the government has in mind to assist these students?

Hon. Mitchell Sharp (Acting Prime Minister): The subject is under consideration in cabinet and just as soon as decisions are reached they will be announced, because it will be our purpose to promote the employment of students not only in industry but in government as well this summer.

STUDENT LOANS—INCREASE IN AMOUNT, EXTENSION OF REPAYMENT FAILING SUMMER EMPLOYMENT

Mr. David MacDonald (Egmont): In view of the fact that last summer many students failed to find employment for part or all of the summer, and as this situation may occur again this summer, has the Minister of Finance worked out any plan with his provincial counterparts to stretch out the period of repayment of student loans and to increase the amount of the loans available to students who are unable to find employment this summer?

Hon. E. J. Benson (Minister of Finance): First of all, with respect to payments, Mr. Speaker, these can be stretched out through the banks at the request of the individual.

Mr. Diefenbaker: What if the banks won't?

Mr. Benson: If the banks will not do so, there is a procedure for requesting it through the provincial governments and we follow up the provincial governments in this regard. With respect to the size of loans, we have annual meetings on the students loan plan at which the provinces put forward their views on the level of loans, as do we, and the matter is decided then.

FORECASTS OF STUDENT UNEMPLOYMENT IN 1971

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, on Friday last I raised the question of unemployment projections among students with the Prime Minister who asked me to redirect it to the Minister of Manpower and Immigration. May I ask the Minister of Manpower and Immigration whether the department has made any projections of the expected level of unemployment among students in 1971, and would he be prepared to make available to the House estimates indicating the extent of such unemployment to allow us some basis for making recommendations?

[Mr. Speaker.]

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I do not think there are any reliable methods to distinguish a certain group of unemployed people statistically at a certain period in the future. I think it is possible to put together certain conclusions about the previous year and the current year, the size of the student body, economic conditions, and to draw some conclusions, but I would think that the hon. member would be able to do that by himself.

Mr. Lundrigan: Mr. Speaker, I am concerned whether the minister is capable of doing it. May I ask the minister if his officials have put together all of these complications and calculations and whether he would be prepared to make the results available to the House and the public to enable us to estimate the extent of unemployment among students, which he has predicted this year will increase over 1970?

Mr. Lang: Mr. Speaker, I think I answered that question and I do presume that the hon. member can draw the same logical conclusions that I have.

NUMBER OF PERSONS REGISTERED AS SEEKING WORK

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration. A week ago today I asked him to give the House some information as to how many persons in Canada seeking work had registered with the manpower department. I wonder whether the minister could give the House this information now.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I did have the figures before me. I believe at the end of December the number of people who were in the columns of the manpower offices as being unemployed and seeking work totalled 641,000. However, an examination of the figures over the month leads members to be cautious in their use of such figures. There are periods when unemployment is actually lower but these figures may be higher because they exclude some people who are unemployed and not registered and include people who may have found employment but not made that known to the office. These are some of the difficulties created by the figures.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a supplementary question for the minister. In view of the wide discrepancy between the figures given by the Department of Manpower, the Unemployment Insurance Commission and the survey made by the Dominion Bureau of Statistics, is there any liaison among these three agencies of government so as to reach a reasonably accurate and reliable figure on the number of persons unemployed at a given time?

Mr. Lang: Yes, Mr. Speaker, of course there is, and it is the Dominion Bureau of Statistics' figure which is recognized as the best guide to the number of people unemployed at the time in question. The other figures which are available, whether of the number of people on unemployment insurance or of the number of people registered with manpower in one column or another, may

be accurate measurements of quite a different thing. Therefore all three figures, while each very different, may be accurate measurements. Nevertheless it is the DBS figure on unemployment which is normally considered the most reliable indicator of the number of people out of work at a particular point in time.

Mr. Speaker: Order, please. Perhaps the hon. member might wish to ask a further supplementary but we are running short of time.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I want to ask the minister if the DBS figure is merely a sampling survey made on the basis of some 30,000 samples, rather than a figure extracted from other figures which are a matter of record both in the Unemployment Insurance Commission and the manpower department?

Mr. Lang: Yes, Mr. Speaker, that certainly is true. The survey is considered by statisticians to have a statistically reliable base, and of course that statistically reliable base is relied upon by the hon. member when he likes to do so.

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NATIONAL DEFENCE

INQUIRY RESPECTING CONTINUANCE OF MILITARY COLLEGES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Secretary of State. Could the minister elaborate on the reply by the Minister of National Defence the other day in which he indicated that he was not at the present time giving any consideration to closing the defence colleges in Canada—a matter I put in the realm of employment if nothing else. Is any consideration being given by the cabinet to a recommendation that the armed forces colleges be closed?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am not aware of any such recommendations being before the cabinet at the present time, Mr. Speaker.

[*English*]

Mr. Forrestall: Mr. Speaker, would the Secretary of State bother to sit down and read the recommendations that are emanating from his own department?

* * *

HOUSE OF COMMONS

INQUIRY AS TO ORGANIZATION OF CERTAIN STANDING COMMITTEES

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I wish to direct my question to the President of the Privy Council. On this 71st day of the third session of Parliament I wonder if the President of the Privy Council, who I know is responsible for organizing other government business, could make a report to the House this week on

why five committees of the House, namely the Broadcasting, Films and Assistance to the Arts Committee, the Transportation and Communications Committee and three others, have not yet been organized? I direct my specific inquiry to the Broadcasting, Films and Assistance to the Arts Committee because there are a number of matters that have come up on the floor of the House many times and should be raised. I asked this question about a month ago and I wonder whether the minister could reply either today or later this week.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, normally the committees are organized when the House makes a reference. To my knowledge, that is the reason the committees mentioned have not yet been organized.

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CANADIAN WHEAT BOARD

INQUIRY AS TO APPOINTMENT OF NEW CHIEF COMMISSIONER

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Minister in charge of the Canadian Wheat Board and it arises from an answer given by the minister a few minutes ago concerning the report on the review of Canadian Wheat Board operations. In view of his answer can the minister indicate if he is now in a position to announce the appointment of a new chief commissioner of the Canadian Wheat Board, and can he also assure the House that the appointment will be made from within the present membership of the Wheat Board?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, we have not reached any conclusion on this question. As hon. members know, we wanted to await and report, and of course I would want to have some further discussions with the Wheat Board about the report before that phase is really completed.

* * *

AGRICULTURE

CLOSING OF CANADA PACKERS' SLAUGHTERING FACILITIES, HULL—CORRECTION OF ANSWER

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I wonder if I may be permitted to correct part of an answer I gave to a question the other day because it may have led to some misunderstanding. In reply to a question from the hon. member for Renfrew-Lanark-Carleton with respect to the closing of the slaughtering facilities at the Canada Packers Hull plant, I said, among other things, that this action was more directly related to the treatment of effluent coming from it. Canada Packers have been in touch with me and have advised me that the facts are, and all of their official announcements have so stated, that the slaughter facilities at this plant are being closed because of the lack of sufficient livestock

being consigned to the plant as well as the obsolescence of the facilities, not for the reason I stated. I am sorry if I misled any member of the House.

* * *

MANPOWER

PURPOSE OF TIME AND MOTION STUDY IN EDMONTON OFFICE

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I should like to direct my question to the Minister of Manpower and Immigration. In view of the time and motion study now deing performed by 30-odd staff officers from the Winnipeg head office in the Edmonton manpower office, would the minister please advise the House whether this study was implemented to demoralize the staff in Edmonton or can we expect the staff to find more jobs for the unemployed after the study has been completed?

Mr. Speaker: Order, please.

SIGNIFICANCE OF TRAINING PROGRAM FOR UNEMPLOYED COLLEGE STUDENTS—AVAILABILITY TO GRADUATES

Mr. Jack Murta (Lisgar): Mr. Speaker, my question is for the Acting Prime Minister. In light of the announced training program at the Red River Community College in Manitoba for unemployed college students, can he inform the House whether this program signals a new approach to manpower retraining?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I will take the question as notice.

Mr. Murta: May I also ask the Acting Prime Minister whether, in light of this announcement, the government is now prepared to make this course available to all unemployed college graduates?

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CANADIAN BROADCASTING CORPORATION

DISPUTE WITH UNION OVER WAGES AND JOB SECURITY—PARTICIPATION OF DEPARTMENT OF LABOUR SPECIALISTS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Secretary of State regarding the CBC. In view of the deadlock between the CBC and the Canadian Union of Public Employees, particularly in the area of wages and job security, has the minister sought assistance from the Minister of Labour in assigning one of his industry specialists to the dispute?

An hon. Member: What for?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the negotiations between the Canadian Broadcasting Corporation and its employees' union were followed very closely by my department and also by the Department of Labour and I must say that at the present time the CBC is still ready to re-open the negotiations as soon as the union is willing to do so.

[*English*]

Mr. Speaker: Orders of the day.

Mr. McCleave: Mr. Speaker, I rise on a question of privilege. After looking at the names set forth in the roster list, effective as of January 11, 1971, and after looking round the House, I find that seven ministers are not present.

Mr. Benson: There is a federal-provincial conference going on.

Mr. McCleave: The seven in question are the Prime Minister, the Minister of Regional Economic Expansion, the Minister of Justice, the Minister of Labour, the Minister of Fisheries and Forestry, soon to be the minister of environment, and the Minister of National Health and Welfare.

I happen to have questions for three of four of those ministers, in particular for the Minister of Regional Economic Expansion. I should like him to explain certain remarks he made in Quebec City over the weekend. I have questions for the Minister of Fisheries and Forestry dealing with the unemployment problem facing shore fishermen, as well as questions of somewhat lesser importance for other ministers.

I suggest this is an absolute breach of faith on the part of these ministers having regard to the business we are expected to deal with in Parliament. I take this opportunity of raising this as a very serious and substantial question of privilege. I know we will be faced with the answer that—

An hon. Member: How many members have you got over there?

Mr. McCleave: I can give a very simple answer to that question. When we have questions to raise we are here to raise them, and we want to find people here to answer them. It is the responsibility of the government to answer these questions, not ours.

An hon. Member: You have only 21 members over there.

Mr. McCleave: I am not directing my remarks to all the ministers who are absent but rather to those to whom I have specific questions to direct today. I suggest this is an absolute breach and dereliction of duty on the part of ministers which denies the rights of Members of Parliament, and I raise this matter as a question of privilege at this time.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

CANADIAN NATIONAL RAILWAYS

PROVISION FOR CAPITAL EXPENDITURES, GUARANTEEING OF SECURITIES

The House resumed, from Monday, November 30, 1970, consideration of the motion of Mr. Benson that Bill C-186, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1970, to the 30th day of June, 1971, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order which relates to the progress of the debate on second reading of this bill. As the House is aware, during the last session on a comparable bill a request was made for a special reference to the committee of two items, namely the capital structure of the Canadian National Railways system and the question of Canadian National pensions. Such a reference was made and the committee was able to deal with the latter question but did not have time to deal with the former.

When this debate started in this session we asked that the same two matters be dealt with. The matter regarding pensions has now been dealt with, and in order to facilitate the debate perhaps the Government House Leader would assure us that the other matter, namely the capital structure of the Canadian National, will again be referred to the committee.

Mr. MacEachen: Mr. Speaker, I have had a word with the Minister of Finance on this point and we see no difficulty in making this reference.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, like most hon. members, I am sure, I was happy to hear last Friday, that is February 5, that the pensions of CN pensioners will be increased. I take this opportunity to remind CN officials that such an effort calls for recognition. Still, I trust this increase is but a sample of what the company plans for the future.

In fact, over the weekend I met a former CN employee who retired in 1955; he now gets a pension of $95 per month; thanks to the new adjustment, he will receive $122.50 from now on. I also met the widow of an employee who retired in 1955; at the time he received $47.50; she will now receive $61.75 a month. To my mind, should those pensioners ask for more, they would be justified in doing so.

As regards general administration, we can see once more under Bill C-186 that this Crown company is unable to do anything but submit budgets in the red, and among the steps that I intend to propose I think that the most efficient would be the resignation of its Chairman,

Mr. MacMillan. I take the liberty to ask for his resignation because this Chairman has sufficiently proven, by submitting annual Canadian National deficits, that he has never assumed his responsibilities and that he does not intend to change. I feel that the salary paid to the Chairman of this Crown company is high enough to enable us to look elsewhere and to select an executive who is really competent to fill the position.

Finally, the Canadian National is a staggering business because it is basically rotten. There is also too much snow on the roof: too many foremen, too many inspectors, too much unproductive personnel. To really remedy the situation, I see nothing else but a royal inquiry commission endowed with full powers. Unlike the membership of previous royal commissions, I would suggest that we refrain from appointing lawyers and economists because they know nothing in this field.

So that an inquiry may bring results, as far as these Crown companies are concerned, I think that the members of the commission should be chosen among stationmasters, train employees, clerks, etc. at various levels. In my opinion, this would avoid the waste of time since those people already know what is wrong and where the fault lies. Since this category of citizens will not be stopped by money, it is obvious that we will get all the information we were denied until now.

• (3:10 p.m.)

With regard to the prevailing situation among pensioned railway workers, I take the liberty of quoting some of the evidence heard by the Standing Committee on Transport and Communications on June 4, 1970, as recorded in report No. 31:

> CNR acts as trustee for the Pension Fund. This simply means that the CNR Board of Directors has sole and absolute control of the assets of the Fund. The employees who contribute to the Fund have no share whatever in policy decisions.
>
> It is true that the pension is administered by a Pension Board on which employees have minority representation but the function of this is largely administrative.
>
> This situation is almost incredible and we find it remarkable that the Superintendent of Insurance continues to countenance such an inequitable arrangement.

This representation was made by E. T. Harrison, Chairman of Local 173, Sarnia, Ontario.

Mr. Speaker, the days follow one another but they are not the same. In the case of the witnesses before the Committee, we can say that their complaints are the same. Here is the proof.

On page 29: 48 of the proceedings of the meeting held on June 2, 1970, there appears the following statement from J. L. Pickett, Secretary-Treasurer of the United Transportation Union, and I quote:

> I am the Secretary-Treasurer of Local 861 of the United Transportation Union. I have been delegated by Local 861 to appear before this Committee and also to speak for other employees in the Edmonton area.

Canadian National Railways

A few moments ago I was reading the evidence of a witness from Sarnia. This is an evidence brought by a witness from the Edmonton area I quote:

Over the years as a trainman or a brakeman, I have heard many rumours sweep the system about changes that are going to take place in regard to the pension, especially regarding the lowering of the retirement age. Of course, nothing ever happens.

At our union meetings, I used to listen to the senior brothers discuss what we should do but nothing ever happened. It appeared to be comparable with the old saying "hammering our head against a brick wall".

The same witness says, as is recorded on page 52, and I quote:

As you know, the body that represents us on the Pension Board with the Company is known as the General Chairman's Association. Mr. V. I. Clements is the Chairman. He is the spokesman for thousands of CNR employees coast to coast. The General Chairman's Association has complained about having no position of strength from which to operate.

I cite further:

The General Chairman's Association put in a brief last July 5, 1969, to the CNR Pension Board, recommending changes. They received an answer eight months later.

Mr. Speaker, they had to wait eight months to receive an answer! What kind of a deal is this?

There is something odd now about Crown corporations, and the public wonders. However, Parliament has the answer. If we examine the Public Accounts, the report made by the Auditor General for the Receiver General for Canada, we see substantially the following concerning the Company of Young Canadians:

In last year's report, we mentioned that the CYC staff was working in cooperation with us towards establishing controls to correct deficiencies in the accounting system...and efforts are being continued to implement adequate controls.

It was then just a matter of a statement by the Auditor General to the effect that the books were not properly kept, in the case of the Company of Young Canadians which, for that year, had received an amount of $1,900,000.

Mr. Speaker, documents have clearly established that violence in the city of Montreal resulted from propaganda emanating from the Company of Young Canadians, printed on machinery paid for by the Canadian government. The authorities of the City of Montreal appeared before the committee for three days in support of a 47-page document and it is known that they had sufficient proof to call for a Royal Commission inquiry. Not only did such an inquiry not take place, but the government continued to finance the Company of Young Canadians.

Mr. Speaker, as far as Crown corporations are concerned, one wonders whether the government is in collusion or has lost control. But our particular concern today is with the Canadian National Railways.

Mr. Speaker, when the bill was introduced, I mentioned that an item for $371 million had been deleted from CNR ledgers, and I should like to know how much money was spent to do this.

Since the Canadian National Railways go to great lengths in order to escape audits, as can be seen from the evidence, at page 22 of issue No. 31, June 4, could it be that they have something to conceal? Is there an agreement under which half of these $371 million, or $185 million, would have been paid into election funds?

Mr. Speaker, the campaign managers of the Liberal party never agreed to disclose the source of their election funds. Could it be because the CN has gone as far as depriving its pensioned employees or their widows of their livelihood that such a silence has fallen over the question? We have every reason to believe it. In fact, we are again dealing with a Crown company which manipulates in a professional way. The evidence heard during the many committee sittings provide damning evidence which the Canadian people is entitled to know.

Referring to page 58 of Issue No. 31 of Thursday, June 4, let me recall the words spoken by Mr. McGregor of Local 108, Bank Street, in Ottawa, and I quote:

For the purpose of delineating some of the inequities that exist in the railway pension plans, we make the following rough comparison of major pension plans.

We urge the committee to take a serious look at the federal plan. We wish to point out that there is no good reason why pension plans of various federal Crown corporations should be so radically different. It was also shown earlier in this brief that the CN as employer pays a much lower pension plan cost benefit to its employees, vis-avis cost benefits assumed by the federal government as employer, while at the same time the rates of employee contributions are more or less at the same level in both institutions.

As reported at page 27 of issue No. 31, Mr. Egan, representing local No. 700, in Ottawa, stated:

Proposals which should be carried out immediately are:

a. Review all pensions that are being paid now.

b. Increase these pensions which would give our pensioners a decent Canadian standard of living today.

c. Review these pensions quarterly and raise them again by an amount based on the cost of living index.

d. Widows' pensions to be handled in the same manner, with one exception. Upon the death of the pensioner the widow will receive 100 per cent of pension and not 50 per cent as at present. The assumption here is that costs are supposed to halve when the spouse dies. I would like to know how.

Pension age to be reduced to 60 on a voluntary basis for 5 years, then all should retire at 60 automatically with full benefits, and I must stress this—full benefits—

Mr. Speaker, as reported in the Minutes of Proceedings and Evidence No. 32 on pages 27 and 28, Mr. Clements said, and I quote:

In conclusion we request that this Committee take action to ensure:

1. The Company transfer the $371,010,000 surplus, appropriated by the Company, back to the company's unfunded liability acount.

2. The Company improve the benefits of the 1959 Plan in line with the proposal we placed before them.

3. That the 1959 Plan rules be made to comply with the Pension Benefit Standards Act forthwith.

4. That the Pension Benefits Standards Act regulations be amended to prevent the arbitrary use of surpluses arising in Pension Trust Funds for the Company's benefit.

5. That equal representation be given to the union representatives on the Pension Board and that the reconstituted Board become the Board of Trustees.

6. That provision be made by amendment of the Pension Plan rules for meaningful negotiation of the rules of the Plan.

7. That a full-scale independent investigation be made of the developments of the growth of pension monies in the Pension Trust Fund.

8. That the Company make immediate provision for the supplementing of the pensions of present pensioners.

Mr. Speaker, representatives of pensioners have come from all parts of the country to discuss the pensioners' hardships and to say that they have had enough and that the conditions in which they lived were inhuman.

Being convinced that they have involuntarily supplied electoral funds to the Liberal Party, which had promised to establish a just society, they hope that they will not be forgotten and will receive their share. They do not ask for a share of all taxes collected, but only for what they have paid, as they should have a right to expect in an honest society.

Through their depositions, CN pensioners have, in the last year, shown a bit of the truth. I believe that this game of "hide-and-seek" with public funds has lasted long enough.

In connection with the CN employees' Superannuation Fund, it is obvious that pollution has reached a dangerous level, because this company is a Crown corporation financed with public money. I believe that the taxpayers are also entitled to know everything about this matter and that all hon. members will agree that, if we cannot have honest administration of Crown corporations, it is useless to talk of a just society.

As for the government, which may have sold its silence, it is time to make amends through putting into application the measures proposed by those most directly concerned.

• (3:20 p.m.)

[*English*]

Mr. Deputy Speaker: Order. Before I notice the next speaker, this might be an appropriate time to rule on the amendment proposed by the hon. member for Wellington-Grey-Dufferin-Waterloo (Mr. Howe).

When Bill C-186 was last before the House on November 30, 1970, the hon. member for Wellington-Grey-Dufferin-Waterloo proposed an amendment as follows:

That Bill C-186 be not now read a second time, as in the opinion of this House, the making of financial guarantees or grants to the Canadian National Railways without the appointment of the Auditor General of Canada at least as a joint auditor of the CNR is not a principle that this House ought to support.

On that occasion I indicated that I intended to deal with the procedural aspects of the amendment but before I could do so the hour for private members' business intervened and, subsequently, the debate on Bill C-186 was unanimously adjourned. This is the first occasion when the bill has been back before the House and therefore, if it is agreeable to the House, this might be an opportune time for me to deal with the procedural aspects of the amendment.

It seems to me, and I appreciate that this was the intention of the hon. member who moved it, that the proposed amendment, if adopted, would have the effect of amending clause 15 of the bill which provides for the appointment of auditors. It would, in the words of the proposed amendment, provide for "the appointment of the Auditor General of Canada at least as a joint auditor of the CNR." While the purpose of the amendment is clear, my concern must be whether or not it is procedurally correct.

With great respect to the hon. member who proposed the amendment it seems to me there are two aspects of it which may not pass the test of a reasoned amendment which could be accepted at this point in the proceedings. First, it appears that the proposed amendment does not oppose the principle of the bill. It opposes or adds to the provision of clause 15 by substituting one auditor for another, or by providing that instead of the auditor named in clause 15 acting alone, he would act jointly with the Auditor General of Canada. I cite here as authority, without reading it to the House, Beauchesne's Fourth Edition, citation 393(3).

The second point which gives me some concern, and on which the proposed amendment may fall somewhat short of the practices of the House, is that the purpose the hon. member for Wellington-Grey-Dufferin-Waterloo is attempting to achieve is the amendment of a detail of the bill which might very well be attempted in the standing committee, or at the report stage of the bill. Again, without reading the citations, may I refer hon. members to May's 17th edition, pages 527 and 528, and Beauchesne's fourth edition, citation 389.

I am not unmindful of the care with which the proposed amendment was drafted but, because of the caution which the Chair must exercise to ensure the procedural acceptability of amendments, and for the reasons I have mentioned, I am of the opinion that the hon. member's proposed amendment cannot be put at this time.

Mr. Charles H. Thomas (Moncton): Mr. Speaker, once again Parliament is being asked to go through its annual exercise of rubber stamping expenditures for the Canadian National Railways and Air Canada. Most of the money has already been spent. In addition, we are being asked to give our approval to substantial loans to both of these companies, and even to guarantee the payment of any losses which the companies might incur beyond the specified amounts.

It is very disturbing to me, and I am sure to many other hon. members, that when introducing the bill the Minister of Finance (Mr. Benson) saw fit only to catalogue the provisions of the bill without any explanation of government policy in respect of the many criticisms that have been levelled at the CNR and Air Canada in the past year. Surely, someone on the government side could tell the House if the government is planning to investigate the growing public criticism of both the CN and Air Canada. Surely, someone could tell us whether the government agrees with the CN policy of passenger line abandonment, and more particularly the obvious intention of CN to abandon all those lines which it categorizes as unprofitable. Why should the profit aspect be the sole determining factor of whether or not a line

should be discontinued? Surely, Mr. Speaker, there are criteria, other than profitability, in developing a national transportation policy.

Consider, for example, the hundreds of millions of dollars that will have to be spent on new highways to take care of the great influx of automobile traffic that will result from the abandonment of all passenger trains, even the runs between densely populated centres. Already, the government is incurring an annual deficit of $57 million on the operation of airports. It also spends about $121 million a year on communications, navigation and meteorological services, much of which can be regarded as a direct subsidy to airlines. Certainly, it is fair to say that the government is already subsidizing the airlines to a greater extent than the $70 million that it will pay to the railways in 1970. Then, too, millions of dollars will have to be spent building new airports and expanding existing ones. I need only mention the $1 billion that will go into the new Ste. Scholastique airport, and the $300 million to be spent on expansion of Toronto International Airport.

One has only to look at United States experience to get a disturbing picture of what can happen in Canada if the railways are allowed to continue their wholesale abandonment of passenger lines. In the United States, back in the 1920's, some 20,000 trains were busy carrying people. At the end of 1969, only 500 of these were still operating. The effect of turning all those people loose on the highways has been staggering.

• (3:30 p.m.)

Since 1956 the United States has spent $75 billion on new highways, and it is estimated that in the next 15 years new highways will cost more than $320 billion. It is little wonder, then that editorialists are questioning the idea that profitability be the sole criterion for determining a national transportation policy. One cannot measure the annual return on investment of the road and highway networks, still consuming billions, or the profitability of taxpayer involvement in the air transport industry. Road and air corridor congestion is getting so bad that the logic of a railway renaissance cannot much longer be avoided. It is time the government laid down priorities. If we are to subsidize the CBC to the tune of $150 million, spend hundreds of millions of dollars on highway systems and possibly $1 billion on one new airport, is it too much to ask that this government take a hard look at its railway policy and abandon its stated principle of profitability for one of service to the public?

Recently, in leafing through some reports and comments connected with the McPherson report, I was interested to read the comments of the Minister of Regional Economic Expansion (Mr. Marchand) who, at that time in 1961, was president of the Confederation of National Trade Unions. At that time he said that transportation policy is closely tied to economic planning and, as such, must be linked to the common good and not the profitability of private enterprise. I wonder how that hon. gentleman now feels, in his capacity as Minister of Regional Economic Expansion, when he sees his efforts to correct regional disparities largely negated by the policies of the government. The imposition of staggering freight rate increases, with the blessing of the Canadian Transport Commission which has adopted profitability as its sole criterion, is crippling industry. These remarks apply not only to passenger traffic but also to freight traffic.

For example Mr. Speaker, let us see what is happening in the Atlantic region. What is happening is happening with the blessing of the Canadian Transport Commission and under the provisions of the national transportation legislation which set up the commission. Before the National Transportation Act was passed, the railways had to make an application for rate increases and justify those increases before a board. Under the new regulations, it is only necessary for the railways to file notice of the increase 30 days in advance.

Tariff policies adopted at the time of confederation to promote an artificial east-west trading pattern effectively excluded the maritimes from their historic north-south trading routes. At that time it was recognized that transport would be a vital element in the ability of regional industries to compete in and obtain world markets. This fact was recognized by the Duncan commission and embodied in the Maritime Freight Rate Act, which was passed in 1927. It was also recognized that competition is the most effective method of regulating freight rates and, since effective competition did not exist in the Atlantic region, special consideration in the form of financial assistance must be given. The National Transportation Act relies largely upon the force of competition to protect shippers from discriminatory rates. Owing to the lack of competition in the Maritimes, it was understood that the provisions of the National Transportation Act would not be implemented until a new transportation policy was developed for the Atlantic region—hence the so-called freeze that was instituted on certain rates.

The Atlantic premiers' report recognized that subsidies to the carriers were not the answer to the problem, and that they should be phased out. The report emphasized what I consider to be the crux of the situation. I quote from the report:

> The provinces will accept modification in the blanket subsidization of intra-regional traffic subject to the strict qualification that a federal-provincial agency be empowered to administer transportation assistance from federal funds to selected industries within the Atlantic provinces.

In other words the premiers' report recognized that subsidization was not the answer, and that assistance should be provided to new, select industries, to enable them to compete in the markets. They agreed that subsidies should be phased out, but only on the condition that any money saved on the phasing out of the subsidies would be applied in the form of special assistance to the industries. That is the situation we face today. The government has begun to phase out subsidies without giving any thought to replacing them with the type of assistance for which those premiers had asked.

Let us see, Mr. Speaker, what has happened since the freeze was lifted on September 23, 1959. On that date, two railway freight increases were announced simultane-

ously. They ranged between 8 and 12 per cent for one, depending on the commodity carried, and between 3 and 5 per cent for the other. On April 6, 1970, we had an increase averaging between 5 and 8 per cent. On September 1, 1970, we had an increase of between 3 and 5 per cent. On February 6, 1971, we had an increase of 3.125 per cent on certain non-competitive rates. The latest increase announced a week or so ago, to become effective as of March 1, 1971, is to run between 4 and 8 per cent. The net effect of these increases is this: average increases since September, 1969, have ranged between 25 and 35 per cent. On some commodities, such as lumber, the increases have amounted to more than 40 per cent. No wonder the newspapers in the area have been protesting against the government's obvious lack of concern for maritime transportation.

The *Telegraph Journal* of January 29, 1971, contains an article headed "Where is the Policy?" which reads in part:

> The freight rate increase announced by the railways for March 1 will be the third within 11 months for Atlantic region shippers. The three total a minimum of 12 per cent to a maximum of 21 per cent, depending on the type of goods and services. Ah, those 6 per cent guidelines!
>
> The problem is, of course, that this region is both absorbing country-wide increases, such as the new one, and catching up with those imposed in the rest of Canada while Atlantic rates were frozen for two years.

Now comes the crunch:

> Ottawa was supposed to use those two years to work out a special transportation policy for this region. It didn't. It displays no interest in working out a co-ordinated policy to this day, and that seems to be water over the dam.

As if these increases were not enough, there is a rumour that even further increases will be brought forward as a result of a reduction in subsidies to the railways from 20 per cent to 17½ per cent.

Another editorial dated February 1, 1971, in the *Telegraph Journal* reads:

> Is there no end to the succession of hammer blows inflicted on the Atlantic regional economy by railway freight rate increases?

Then, referring to the latest increase of 6 per cent to be effective as of March 1, the editorial continues:

> And now shippers have been told that because the federal government is whittling down the subsidy paid the railways, for traffic moving within the Atlantic region, and the railways naturally want to recoup the lost revenue, there will be yet another increase shortly on rates within the area. Informed guesses are that this boost wil be about 3 per cent.

That will be on top of the 35 per cent already imposed.

Mr. McCleave: Shame!

Mr. Thomas (Moncton): No wonder we, on this side of the House from the maritimes, are sort of sick when we hear about the government's so-called 6 per cent guidelines. The editorial continues:

> It is time for the Atlantic premiers to swing into action again. They should put strong concerted pressure on Ottawa to draw up regulations providing special aid to industries whose markets are jeopardized by the subsidy reduction or any other rate juggling.
>
> And they should demand that Ottawa call a halt to further rate increases of any kind in this area until our long-awaited regional transportation policy become a reality.

As I have mentioned, there is a great deal of concern among shippers and businessmen in the area. They are beginning to wonder if the government will ever bring forward its long promised transportation policy. The government has been given plenty of suggestions. Very often, when we criticize the government, the snide remark is thrown back to us: what about suggestions? Well, the government has had the benefit of a great many suggestions in this field. There was the Atlantic premiers' report which outlined a comprehensive Atlantic transportation policy; there was the report of the Standing Committee on Transport and Communications which had plenty of recommendations to make on Atlantic transportation—

• (3:40 p.m.)

Mr. McCleave: Right on.

Mr. Thomas (Moncton): Then, there is the federal-provincial committee which is supposedly meeting daily. This committee has also been sending suggestions along, but unfortunately the minister and the government are only prepared to accept the recommendations with which they agree.

An hon. Member: Too bad.

Mr. Thomas (Moncton): We on this side have repeatedly asked the Minister of Transport (Mr. Jamieson) to tell us when the government is going to act on the recommendations of the premiers. Recently, in reply to a question, the minister stated the government had already acted on a number of the recommendations. Let me refresh his memory. Of all the recommendations made by the premiers, the government has acted only on those involving a reduction in the subsidy and its extension to trucks, as well as reductions in ferry rates between New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland. These are the only recommendations upon which the minister has acted, and they happen to be recommendations which tend to reduce the amount of assistance which has been granted, rather than help the situation in the Maritimes. The cabinet has completely ignored the recommendation of the premiers' report that any reduction in subsidy should be offset by special assistance to the shippers.

Mr. McCleave: Hear, hear.

Mr. Thomas (Moncton): Instead of getting better, the position of shippers in the area is worsening, because fierce competition in other parts of Canada between road and rail has led to a reduction in railway rates. So, in reality, the shipper in the maritimes is now worse off than he was before this report was written.

Mr. McCleave: Right, and shame.

Mr. Thomas (Moncton): This is why I felt it necessary last Thursday to see whether I could get some action out of the Minister of Transport who sits there and brushes

off all our questions with snide answers. Last Thursday, I sought to propose a motion calling upon the Minister of Transport to appeal the most recent freight tariff increases. Unfortunately, but not unexpectedly, I was denied unanimous consent to put the motion by members on the government side. It is difficult for me to understand how Liberal members from the Atlantic provinces could take such an attitude in the light of mounting dissatisfaction expressed in leading newspapers, by the Atlantic Provinces Transportation Commission and businessmen in the region. At a time like this, could they not forget partisan politics? I might point out, however, that the Minister of Transport was not in the House on that occasion, so I cannot include him with his colleagues; I know he has the interests of the Maritimes at heart. Unfortunately, he is not in the House today, either, but possibly someone will carry this appeal to him.

Mr. McGrath: Why is he not here?

Mr. Thomas (Moncton): The minister should intercede with the railways to forgo the increase slated for March 1, as well as further increases which are rumoured, until such time as his department announces the new policy which has been promised us for some four years, now. If the railways will not heed persuasion, I ask the minister to avail himself of the right of appeal provided in section 16 of the Railway Act. This section provides that where a person has reason to believe the effect of any rate established by a carrier might prejudicially affect the public interest, such a person may apply to the commission for leave to appeal. The minister has a staff which should be well qualified to produce all the statistics and figures necessary to substantiate an appeal of this type before the board. Obviously, it is impossible for a private person to be in possession of these figures and statistics. Since the minister does have this information available, I trust he will recognize his duty to the people of the Maritimes and take the action necessary to forestall further tariff increases.

I know the reply of the railway companies will be: We cannot afford it; our deficit is $25 million or $29 million. But I would point out that in 1969, Canadian National had the third highest operating surplus since the war years, and that every year except three since the war, the CNR has shown an operating surplus. What distorts the picture is that most of the loss shown in the CN accounts arises from the need to pay interest on debt accumulated over the years, in fact, from the time the company began operations. Very often, members of the public are not aware of this. I am last to throw rocks at the Canadian National. I live in a Canadian National town and I realize the effort the company has made to up-grade its services, to modernize and improve the handling of freight. Indeed, the company is handling a higher volume of freight now with less equipment—though more modern equipment—than was previously the case. But despite these efforts, it cannot show a net profit when it is faced with paying $75 million in interest charges on debt incurred many years ago. This is why we in the opposition, both in my party and in the New Democratic party, have requested that the question of the capital debt structure of the CN be referred to the standing committee. Perhaps in that way some sensible solution can be found, after which the railway could go ahead and operate on a current basis. I repeat this request.

I should like now to say a word about air services and Air Canada. I know this is a subject which is causing great concern to airlines all over the world. In the last year, airlines throughout the world have found that increasing expansion, decreasing revenues and decreasing passenger traffic have placed them in the position of incurring heavy losses. I shall not go into detail of the reasons for these losses. Many solutions have been proposed. Some will say: you must reduce airline fares and increase the flow of traffic. They cite the case of Icelandic Airlines which does not belong to the International Air Transport Association and which sets its own fares. This airline managed to fill every seat on its jets between New York and Nassau whereas other airlines were travelling half full. This is one solution. I am not saying it is the only one. With more people travelling and bigger loads possible, the airlines' loss can be reduced.

• (3:50 p.m.)

The point I want to make before I conclude my remarks on this bill is that there seems to be nothing but doubt and uncertainty as to the future of Air Canada. We have seen the wave of shock and indignation created two or three weeks ago when Air Canada announced the lay-off of some 415 employees. Some who had been with their employer for 25 to 30 years were given two weeks' notice. Air Canada justifies this action on the basis of the old argument of having to cut down because traffic was falling. But how far can you cut back before you start to decrease the service that you are providing, Mr. Speaker? When your service deteriorates, passenger traffic drops off still further. It looks to me very much like the CNR passenger service policy repeating itself. It is the argument that not enough people are using the service and so you reduce the service. Since the reduced service attracts fewer customers, you then say that as no one is using the service you must abandon it.

This is the sort of thing worrying people in Canada today. They fear that Air Canada is adopting the same policy the CN has employed for the last 15 to 20 years. We have questioned the government several times about announcing some air carrier policy. We have questioned the minister about what his policy is in relation to second and third line carriers. So far, to my knowledge, the only answer we have received has been that this question is under consideration. In my particular area of Moncton, which is the freight terminal for the Maritimes area, there is a good deal of concern not that services have been cut back, though of course people are worried about this, but that the airlines have created disillusionment and the morale of the people is shot. Rumours are being circulated that Air Canada is going to pull out of all unprofitable services, following much the same pattern as the CNR. Rumour has it that another airline is going to take over. This sort of uncertainty is upsetting to residents of the area, to shippers, manufacturers and so on.

Once again, I call on the Minister of Transport to let the House know what his air policy is going to be. If he

has decided upon an air policy, then I would ask him what is going to be done about these small carriers. Is Air Canada going to end up with all the profitable long-haul routes? If so, let him tell us. Then we will know how to attack the problem of getting a proper service on shorthaul routes. If Air Canada is going out of the short-haul business, then the minister should not be negotiating with carriers such as Eastern Provincial and Quebecair who apparently are quite prepared to take on these smaller routes. But let us have some clear, delineated policy. These are the things that give us some concern in connection with the bill. Not only that, we are being asked to rubber stamp the spending of money in the face of no clear statement of transportation policy by the government with respect to rail traffic, air traffic or highways. Let the government give the House some answers to these questions. We will then be able to discuss these matters in committee intelligently with officials of CN and Air Canada.

Before resuming my seat may I say that I hope the officials of Air Canada will appear before the committee this year. How can we obtain answers from Air Canada when none of their officials appears before the committee? They did not appear at all last year. I hope the minister will give his guarantee that the Air Canada officials will appear before the standing committee to justify some of the actions they have been taking in the last few weeks.

Mr. Doug Rowland (Selkirk): Mr. Speaker, this bill gives the House the opportunity of dealing with so many situations, most of them horrible, such as the laying off of 415 Air Canada employees, that one hardly knows where to begin. However, I think I would be remiss if I did not take a moment at the commencement of my remarks to comment upon the welcome announcement made by the Minister of Transport (Mr. Jamieson) last Friday that the Canadian National Railways has improved the pension benefits of its retired employees. I would be remiss in not mentioning that because the capitulation of the railway was due to the unceasing efforts of some of the members of this House over a long number of years, and they deserve our congratulations. In this regard I should like to make special reference to my colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), who has worked on this problem for some 25 years.

I should like also specifically to congratulate members of all parties in the House who did such an excellent job in preparing the unanimous report of the Standing Committee on Transportation and Communications which recommended action by the CNR on the pension question. Undoubtedly, the report of the committee, coupled with the firm resolve of members in all parts of the House not to let this bill through until the pensions of retired CNR employees were improved, precipitated the decision of CNR management to implement many of the committee's recommendations.

Having said that, it remains necessary to remind the House once again that there are still three battles to be fought and won before we can be satisfied with the CN pensions. First, in the plan for public servants announced on December 19, 1969 and placed in effect in April of last year, provision was made for the 2 per cent increase for each year of retirement to be compounded back over the years so that ten years' retirement, for example, would result in more than a 20 per cent increase in pension benefits. I suggest that the CNR would be well advised to look at this precedent with a view to implementing it in respect of their own retired employees.

Second, the plan recently announced by Canadian National Railways does not seem to include provisions for future increases in pension benefits as the cost of living increases. This provision was made for retired public service employees, and once again it is a precedent that the CNR would be well advised to follow.

The third factor to which we must devote some attention, I suggest, is that there be included in the retirement plan for current employees of the Canadian National Railways provision for the automatic escalation of their pensions in order to keep them in step with increases in the cost of living. The minister has said that this question is going to be left to the process of collective bargaining. I can only express the opinion that the CNR would be well advised to avoid resisting any such demand on the part of its current employees in light of recent precedents.

I should like to turn now to another matter, one that was highly contentious in the transportation committee and which it seems is going to be referred now to the committee for study. I refer to the capital debt structure of the CNR. The work that the transportation committee did on the question of pensions provides an excellent recommendation for its becoming involved in a study of the capital debt structure of the railroad. Ever since its inception the CNR, no matter what its operating position has been, has shown a net loss because of the burden of public debt with which it has been saddled. I refer to public debt, not to railroad debt.

• (4:00 p.m.)

The CNR was saddled with this immense debt because the government backed crabwise into public ownership of a group of bankrupt railroads, not with the need to provide necessary public service as its primary consideration but, rather, in an attempt to save a number of its political friends from sustaining severe financial losses. The result was that the government paid 100 cents on the dollar for shares worth about 25 cents, and the railroad has ever since been paying interest on what was essentially a rotten investment.

I think it is about time that this debt was removed from the shoulders of the CNR and that it be treated as it properly is, a public debt. In this way the government, this House and the public could finally get the true financial position of the CNR. This is something long overdue and something which I have no doubt the Standing Committee on Transportation and Communication will recommend once seized with the problem.

I am sure hon. members of this House have been receiving letters, as I have, protesting the cancellation of CNR trains Nos. 7 and 8. I am in entire sympathy with

the demands for reinstatement of this service, and I should just like to take a moment to explain why. First, I was annoyed by the fact that without even waiting for an examination of the question by the Canadian Transportation Commission, the CNR took it upon itself to advise the Canadian post office that after February 1 it could no longer supply mail car service between Winnipeg and Long Lac. The post office was advised, back in December, to seek other means of providing that necessary service to the communities involved. That seems a bit presumptious to me, but it may be a small incident.

Second, the cancellation of trains Nos. 7 and 8 represents a severe curtailment of service to many Canadian communities. Prior to the discontinuation of trains Nos. 7 and 8, passenger, express and mail service could be given to any community in northern Ontario in winter or summer within a 24 hour period from either Toronto or Winnipeg. For example, refrigerated grocery goods could be sent by express from Winnipeg at 9 p.m. and arrive in Sioux Lookout at 3.10 a.m. to be delivered fresh that morning to the merchants. The alternatives are now uncertain because many of the 91 communities between Winnipeg and Toronto have no highways. Furthermore, since trains Nos. 7 and 8 are being discontinued, the Supercontinental is expected to carry an extra load, resulting in the Supercontinental running on a schedule which will make it operate like a milk train.

The management of the CNR suggests that adjustments in services will result in an extended running time for the Supercontinental of from one to one and a half hours. It is already obvious that Supercontinental trains are arriving three to four hours late as a result of attempting to give proper service to the 91 communities I have mentioned. This downgrading of the Supercontinental will, in turn result in a decline in passengers and passenger demand for sleeping and dining car services. I have no doubt that ultimately the CNR will ask for the abandonment of Supercontinental service. I would, therefore strongly suggest to the government that it should immediately take steps to have the CNR put trains Nos. 7 and 8 back into service to provide the alternative necessary to the Supercontinental and to prevent the erosion of that first class service. There was no justification, financial or otherwise, for dropping the services of trains Nos. 7 and 8.

As a further suggestion, I would indicate to the government that it is essential to immediately establish a definite policy on the development of a proper continental passenger train service with modern passenger equipment, one capable of providing service to communities without highways as well as other Canadian communities which require such a service.

I have mentioned a number of specific problems and I could mention many more, but they all boil down to the direction government policy has taken in the past number of years in respect of public transportation. It has been entirely wrong. Increasingly, governments have been attempting to divorce themselves from making policy decisions in the area of transportation by insisting, rather too strongly, upon the autonomy of Crown corporations operating in this field; by setting up so-called independent boards and commissions to look after the development and implementation of policy on public transportation; by insisting upon treating crown corporations engaged in public transportation as normal business ventures, and thus judging them on the basis of their balance sheet rather than on the basis of whether they are meeting public needs.

[Mr. Rowland.]

I am not saying that crown-owned transportation companies should not concern themselves with their profit and loss positions. What I am saying is that their primary consideration should be whether they are providing the sort of service which meets the needs of the country. To put it another way, the government must decide what kind of transportation system this country requires to meet its current needs and to assist in its future development. Having made such a decision, the government must then instruct its Crown corporations to meet those needs as efficiently, both in terms of service and costs, as is humanly possible. If such a policy results in the corporations running a deficit, then the deficit should be paid and paid gladly as one of the costs of developing our country in an orderly fashion and providing our people with the quality of life to which they aspire. If this means changing the legislation governing the CNR and Air Canada, then change it.

What is happening now is that we are dealing with transportation in a piecemeal fashion through the Canadian Transportation Commission. Air Canada is having its routes carved up and handed over to regional carriers without regard to the over-all implications for the nation or the cumulative effect of each individual decision. I suggest that this may very well result in the kind of situation that occurred in the 1920's when railroads all over the country were going bankrupt and the public of Canada had to invest wildly in an attempt to establish some sort of a rational system. The debt thus incurred is one of the major problems confronting the CNR at this moment.

To get back to my point, the railroads are applying to reduce service or to abandon lines on a piecemeal basis. Decisions are made one by one, once again without proper regard for their cumulative effect upon public transportation in this country. Indeed, as in the case of the abandonment of trains Nos. 7 and 8 by the CNR, we have the ridiculous situation of a minister of the Crown informing this House that he has absolutely no control over the actions of a Crown corporation in an area of public policy as vital to the national interest as public transportation. This has to stop. Something else must be begun. Except for the turbo train now operating between Toronto and Montreal, virtually no experiments in high speed rail service are being undertaken in Canada. This is the situation at a time when in all other parts of the developing world countries are up to their elbows in such developments. Indeed, we in this country are busily engaged in divesting ourselves of what little passenger service remains.

I wish to quote some figures in this regard from an article which appeared in the January edition of the

United Transportation Union's publication *"Unity through Progress"*

In 1944 railroads in Canada registered about 6.8 billion passenger miles; in 1968, the figure was down to about 2.6 billion Last November, the CNR and CP Rail filed 31 applications with the Canadian Transport Commission seeking relief from the burden of uneconomic passenger trains.

They claim they are uneconomical. In terms of public policy this would appear to be absolute madness at a time when 85 per cent of North American interurban transportation is carried out by automobiles; and at a time when it is a demonstrable fact that the automobile is one of the major sources of environmental pollution. Surely, any sane government would be bending every effort in seeking ways and means of encouraging the public to abandon the use of automobiles in favour of public transportation in order to reduce both pollution and the high costs in terms of money and social side effects of the construction of more freeways to accommodate automobiles. Instead, our government appears to be ready, for example, to allow the railroads to downgrade the passenger service between Ottawa and Montreal, something which can only result in the increased use of automobiles and increased expenditures on highways.

• (4:10 p.m.)

What we need in this country is a national transportation system, the first priority of which would be to meet the requirements of the country, both in terms of present needs and in terms of the demands of future development, not one designed in principle to meet the demands of an accountant's ledger. We need that kind of transportation system, and it is necessary that the government begin action to create it immediately. All protestations of government members to the contrary, there is no such animal yet extant.

Mr. Charles Turner (London East): Mr. Speaker, each year the government of this nation introduces a bill for CNR financing and capital expenditures for the year. The chiefs walk in with cap in hand, hon. members of this House fill the cap, and then the chiefs return to their head office to calculate how much service they can eliminate. It is high time that the members of this House and the government of this country stopped writing the CNR a blank cheque. It is time we asked for a full report on what the CNR does with all their money.

Some hon. Members: Hear, hear.

Mr. Turner (London East): As one who has spent over 30 years of his life in the railroad business, I can tell you in a few words what is the matter with the CNR—too many highly paid chiefs and not enough little Indians, and most of the chiefs know nothing about running a railroad. During the war years when railroad men worked 14, 16 and 18 hours a day, we had few bosses. If you had occasion to meet the boss, he was usually running around the country with a pair of pliers and a length of wire trying to keep locomotives in good repair. But when the boss caught up with you, usually you found you had done something wrong. He wanted to give you a good tongue lashing and a few demerits, then send you on your way.

Employees had the highest respect for their bosses who knew their job. The latter also knew their respective employees' jobs, and the men knew that when they went into the office for an investigation they would get a square deal. Today, the morale is so low it will never recover. Why is it that most of the middle management bosses have retired at the age of 60, and why is it that most of the middle management bosses today can hardly wait for their pension time to arrive? There is something wrong when employees are unhappy about their working conditions. There is definitely something wrong when many bosses are waiting for their retirement.

Recently we had a wildcat strike at Fort Erie, Ontario, and a few weeks ago we averted a wildcat strike at London, Ontario. Both these strikes were the result of CNR trying to force a change on the employees without prior consultation. CNR employees are sick and tired of these high-handed methods of change without notice, without talking to the union officials. There is no dialogue, no meaningfull co-operation in the CNR. The management just moves the hatchet men in and bulldozes the employees into submission. I, personally, know hundreds of the employees and I can honestly say they are not easily stirred up. However, these new methods of trying to make the employees submit without prior talks will not work. Employees wish to be treated with common sense and they want management to prove to them that the changes are necessary to improve the service. They are always ready to co-operate but not when the CN uses the methods which are employed today.

As a former railway engineer I have operated passenger and freight trains over all CNR lines west of Toronto. During my 30 years of service I have watched how the company eliminated service and downgraded the passenger service. First, the service is run late so that mailmen complain and the mail contract is lost. In most small towns the express is delivered in the morning, but if the train is late the express man has to deliver his parcels well into the afternoon and then starts to pick up his shipments to go into the big cities on the afternoon train. If he cannot finish his route in the morning, he leaves the express until the next day. Therefore, a day's delay results in the shipping of express. The shippers get angry and find other ways of shipping their goods, so the express business is lost. Then, the railway can show the Canadian Transport Commission that the train is losing money, and the CTC rubber stamps the application of the railway so the train is eliminated.

Mr. McGrath: That's what happened to the "Bullet".

Mr. Turner (London East): If you ride some of the passenger trains between Toronto and Ottawa, you find you cannot even buy a lunch or get a drink of water because so many of the employees have been laid off the company does not have the workers to do the job. The car windows are dirty and so are the coaches. I have talked to many of the track workers and they have told me that even if they had the supplies they could not keep

the track in good shape because their numbers have been cut to the bare minimum. You must have a good track to run high speed trains, and if you do not keep the track in shape you have derailments. We have certainly had many derailments in the past few years.

Some time ago car inspectors were cut off at the London, Ontario station. I understand that passenger trains now run from Toronto to Windsor and Toronto to Sarnia, a distance of over 200 miles in one case and just under 200 in the other, without inspection. The Standing Committee on Transport and Communications held hearings last spring and returned early in the fall to complete their report, which was tabled in the House on October 7, 1970. But other than the introduction of a change in rules allowing CNR employees to join the pension scheme with the option of paying back money which they owe to the pension plan, plus the introduction of pensions at the age of 60 with no reduction, we have heard nothing about that report. It is time the CNR made a statement regarding the committee's report. The pensioners and the employees want action, and they want it now. I am pleased that some action was taken last Friday.

The transport committee did their job and are patiently waiting for a statement, as are CNR pensioners. The CNR pensioners, who find themselves in dire straits, are hoping and waiting for improvements in their pension plan. The employees of other railways, and indeed all Canadian citizens, are also waiting. The real problem, of course, is inflation. Like all who are on a fixed income, the railway pensioner who retired many years ago sees his standard of living deteriorating as the cost of living continues to soar. The Dominion Bureau of Statistics indicates that in the last decade alone the cost of living has increased some 30 per cent. What hon. members may not be aware of and what I wish to bring to your attention, Mr. Speaker, are the factors which, aside from inflation, have acted to place the older pensioner in a steadily worsening financial position.

The first point involves the depression years and the fact that all railway employees suffered a 20 per cent reduction in wages which was not restored until the late 30s. This, of course, affected the average annual earnings on which pensions were calculated. This reduction of wages during the thirties left no room for the workers to save for their old age, and in many cases reduced the amount of pensions paid when employees retired. Many employees were laid off and, to live, had to withdraw their contributions, further reducing their pensions.

• (4:20 p.m.)

This situation was corrected to some extent by the 1965 revision of the CNR pension plan, whereby one and a half per cent was allowed for each year of pensionable service. However, this change was not made retroactive, and therefore it was of no value to those who retired prior to the revision. The older pensioners, those who have been on pension 18 years or more, had their allowances calculated on the basis of their best 120 months of service rather than on the best 60 months. This longer period of service, of course, included the low wage years

of the late thirties and early forties, resulting in lower pensions for those who did not benefit from the rule change.

The new rule providing pension benefits calculated on the average earnings over the best five years of service completed, with the more generous allowance of one and one half per cent for each year of pensionable service as compared with 1 per cent for the first 20 years, one and a quarter per cent for the next ten years, and one and a half per cent for the remaining years of service, provides a built-in hedge against rapidly rising inflation, which the old rules did not have. Naturally, these rule changes were accompanied by a slight increase in contributions to help pay for the cost of the changes. I say, Mr. Speaker, that pensioned employees should have shared in the increased benefits by reason of their equity in the fund which has increased in value over the past few years, and by reason of their right to equal treatment from the company with respect to that portion of pension costs assumed by the company for future pension benefits.

I suggest that the cost of increased pension benefits could well be financed by the pension trust fund, assuming a proper valuation of that fund is made and that there is a fair, equitable disposition of the so-called surplus. I also say that increased benefits should be extended to pensioners who were contributors and who have an equity in that surplus. I believe, too, that the 13,000 retired employees who did not elect to become pension plan contributors, because they could not afford to pay into the fund, should receive more than the $25 per month which they presently receive. This has been increased to $50 now, but I do not think that is enough. I say that the CNR has a moral obligation to increase minimum pensions to these employees who gave many years of long, faithful service to the company.

It is common knowledge that the government of Canada recently increased the pensions of its retired civil servants in recognition of the problems caused by continuing inflation. This action has been matched by the governments of Ontario, Quebec and Alberta. In the private sector Bell Canada, with a non-contributory pension, is paying supplementary pensions to retired employees to ease the effects of inflation. Although the Canadian National is a Crown corporation, I see little reason for any difference in the treatment between a civil servant and an employee of a Crown corporation. If there is a difference, then railroaders can easily be compared to employees of Bell Canada since they both work in a rate regulated industry.

The committee, Mr. Speaker, has done its job. Now it is up to this House to tell the management of the CNR to implement fully the recommendations of the transport committee, and to do it now.

Some hon. Members: Hear, hear.

Mr. Turner (London East): The employees and pensioners will not wait much longer. They all want action and they want action now. Each year this House votes millions of dollars for the financing of the CNR debt.

If the people of Canada are called upon to pay the shot they should also be allowed to have some say in when and where the trains are going to run.

In closing, Mr. Speaker, I would like to read into the record the contents of a letter I received from a railroader describing the feelings of the employees of the CNR. It reads:

> Thank you for your efforts on behalf of the CNR employees recently when it appeared that we would have to resort to a wildcat strike because of the arbitrary and unilateral action of the company. After talking to you on Monday evening, a meeting was scheduled for Tuesday morning at 8 a.m. This meeting lasted until 10 a.m. when it was terminated as no progress could be made of the belligerent attitude of the company officers. At 2 p.m. the company contacted the local chairman and the difference in attitude was as night and day. It was quite obvious that instructions had come from higher up.
>
> The company requested that a brief be drawn up concerning the Ingersoll switcher, also another with all the grievances that did not come under our respective collective agreements.
>
> A meeting was scheduled for Wednesday, November 25th, at 2 p.m. that lasted until 8 p.m. Although the tone of the officers was very cordial the results were negative.
>
> The Ingersoll jobs are to be changed as of October 7th, 1970, to out-post jobs.
>
> After the attempt of the CNR to arbitrarily run through in Northern Ontario, resulting in the Freedman Commission, all brotherhoods negotiated a clause stating that all changes that adversely affect the working conditions would be negotiated. The company claims that these jobs are not adversely affected even though five crew members must now drive 25 miles to work. The adverse effect can be judged by the fact that one engineer was forced to cover one job; the other was bid by a very junior man that was just set up, that lives near Ingersoll. These jobs are not covered by one of the most senior engineers in London, and the other by a man about middle of the seniority list.
>
> Contracts also provide that the company provide a cook room and cooking facilities. Their answer to this is that they will put anyone up that has to stay overnight at the Ingersoll Inn, and have a restaurant stay open until the afternoon job is finished.

Imagine having a restaurant stay open for one man, or even five men.

> In answer to the objections to this the company states that we could take it to a grievance, but we couldn't start this procedure until after the jobs were changed.
>
> This statement clearly shows that they intend to take the full time and could prolong this for over a year. A great many things, in all contracts, depend to a certain degree on mutual respect and acting in good faith, in the spirit that an agreement was entered into. Recently, the past two or three years, it has become increasingly evident that the CNR in the London area has no intentions of acting in good faith with its employes, the general public, or its freight shippers.
>
> I am enclosing a clipping from the London *Free Press* that you are no doubt aware of. These incidents can only increase unless this company changes its attitude. Should the union officials ever decide to act like union leaders this country will be into one of the biggest strikes it has ever seen. The morale of the men is the lowest I've ever seen. Their frustrations and resentments could make a strike very costly and ugly. A strike could, or could not be with the sanction of the unions. Given the right set of circumstances a wildcat strike in one terminal could spread through an entire area or province.
>
> Another area that is causing some concern is the CTC. This body generates no respect from the rank and file railroader in transportation. Hearings before this body in regard to passenger train abandonment are regarded as a farce and a charade, and the CTC is often referred to as "that rubber stamp outfit." Mr. Pickersgill should be removed from office and the whole body revamped. It is quite interesting that many of the towns and cities that are affected by passenger train cut off have come to the conclusion that it is useless to protest at the CTC hearings. The action of the CTC reminds one of a saying about old time western justice, "You will have a fair trial and then we'll hang you."
>
> I know that on many occasions you have warned your colleagues about the conditions on the CNR. Your efforts are greatly appreciated by our people in this area. It would be a shame if action by the railroaders is the only way to convince them of your good judgment.
>
> It's rather amusing to hear talk of forcing foreign owned companies to act as good Canadian corporate citizens when the government apparently can't force a Crown corporation to act in anything but their own interest. The public be damned attitude of the CNR is becoming more apparent every day.

• (4:30 p.m.)

It is time, Mr. Speaker, for this company to change its attitude towards the people of Canada.

Mr. Osler: Mr. Speaker, I wonder if the hon. member would allow a question.

Mr. Turner (London East): Certainly.

Mr. Osler: Mr. Speaker, I was interested in the hon. member's comments about company methods for making passenger runs unprofitable. Did he happen to be on the CNR train running between Toronto and Ottawa on September 25 when, to my knowledge, passengers requested chairs in chair cars and were told that there was no chair car service? I was a passenger on that train and there were three empty chair cars on the train. That sort of thing is bad; first, for the economy of the railway and, second, for the economy of railway employees, who suffer as a result of lost tips. I was told that this sort of thing is very common, in large part because the computer works out the seating arrangements. Has the hon. member heard about this?

Mr. Turner (London East): Mr Speaker, I have heard from those who run the passenger trains that these are the instructions they receive from officials, and that they must follow instructions. The position of employees is this: if they follow the rules, they are fired, and if they do not follow the rules, they are fired. That is the situation.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, this is probably one of the most difficult bills coming before Parliament. Of course, my valued colleagues from Newfoundland have raised from time to time in a short, orderly, but persistent fashion, the affairs of the Newfoundland "Bullet" when bills of this nature have been debated. I tend to find myself thinking like James Forsyte, the elderly solicitor of the Forsyte Saga who, when faced with monumental changes, looks blank, and says, "I do not know about it, because nobody ever tells me about these things." However, all the time knows what is going on. You know that that sharp old devil is trying to save his own skin, and that somebody has told him something is going on.

That something is happening you and I know, Mr. Speaker, as does everybody in this chamber. Monumental

changes are taking place in Canada transportation, and all the while the government tries to make it appear as if no changes whatsoever were taking place. So, we have a perfect right to raise the questions being raised here, and to raise the sort of questions that the last three or four speakers this afternoon have raised. We shall continue raising them. Probably it is a good idea that the Canadian National system and Air Canada have to appear before us and account for themselves. I do not think anybody would be very happy if all this spending or lack of spending that we are discussing were to be dealt with by some committee of the House of Commons. We, therefore, make no apology for becoming involved with this matter.

I should like to raise a myriad of questions but will try to be reasonably brief, so that some of these matters that are raised can be considered by the managements of both systems and answered. For one thing, I can never understand why there should be a difference between first class and second class on aeroplanes. Why should people be crowded, as it were, in one part of the aircraft and others be given a little more flank room, if I can use that expression, in another part of the aircraft. I saw the worst instance of this discrimination last Saturday when I finally took a trip back to the Maritimes. On that Air Canada flight a television crew was flying to Halifax. Also on board was a very distinguished person who was to be photographed on the flight. As I say, there was a CBC crew on board with its flash bulbs and cameras and the like. This most distinguished, most photogenic person, was photographed in the second class part of the Air Canada aircraft that was flying to Halifax.

I asked this very distinguished and photogenic person, whose songs have made up a large part of the Canadian content on Canadian radio during the last few weeks—

Some hon. Members: Hear, hear!

Mr. McCleave: —why she was now travelling second class when I felt sure that she could afford to travel first class and that her sponsors would insist on it. She said that it was not her fault; that she had made no arrangements like that. The CBC had checked with Air Canada and Air Canada had said "No, no; we cannot allow things like that to go on in the first class part of the aircraft." Consequently, the photographs were taken in the second class part. There must have been four or five people in the first class part, yet this photogenic person had her picture taken in the second class part. I thought that an unfair distinction had been raised between first and second class passengers. I have not mentioned her name, even though her songs have made up a large part of Canadian content for, lo, these many months on Canadian radio. I thought I would raise this at the first opportunity in Parliament because there should simply not be a distinction as between first and second class on Air Canada. The criterion for where one sits should be extra length of one's legs, or one's extra girth, or whatever other physical reasons one can bring forward. The criterion, surely, in seating arrangements should not involve first and second class...

An hon. Member: Were the CBC people first class?

[Mr. McCleave.]

Mr. McCleave: No, not at all; not the people who did the picture taking. Nevertheless, the extremely photogenic person I have described, this consummate actress—I suppose I have given her identity away—was first class indeed. Anyway, Mr. Speaker, I just wanted to say all this. I hope that she will talk to me the next time we make the same trip together.

Now, Sir, may I tell you about another adventure in real debt financing involving the Canadian National system? I have taken my crack at Air Canada; now may I take a crack at the Canadian National system? All this happened a few weeks ago when I went from Ottawa to Montreal on a Friday evening. On that occasion the main line between Montreal and Toronto had been "blown out" in some extraordinary fashion. As a result, all the Canadian National trains from Toronto to Montreal were coming up the Ottawa line and then finding the best route they could to their destination. We all gathered in the station which, as we all know, is a fair journey out by dog sled, or bus, or whatever form of travel one uses.

You are allowed on board the train when the officials are good and ready, after which the train goes off, lurching as the case may be to Montreal or Toronto. On this evening—the station was packed. We had to line up for half an hour and then were suddenly allowed on the train. We found that the train did not have enough space for all the passengers, and that there were no extra cars. This Canadian National train to Montreal, travelling on one of the most heavily travelled lines in Canada, I suppose, did not have enough space for the passengers. To be told by the conductor that they simply did not have those extra cars was one thing, but then to get 17 miles out of Ottawa on the route to Montreal and find that there has been a derailment between Montreal and Toronto, and that trains were being rerouted to Ottawa and then to Toronto, was another thing. Then, to find oneself submerged on a siding in Ontario for one hour while all those trains went by from Montreal to Ottawa and then to Toronto was still another thing.

• (4:40 p.m.)

But the thing that really shook me was that the people in the station who look after CN affairs knew there had been that derailment and knew there was this hold-up on the CN service toward Montreal. I realize that when there is an emergency you have to expect that the best is being done. I do not complain about that. But the fact is that no one was told before we left Ottawa for Montreal that this would take place. Not one soul told us that if we had to be there at a certain hour we were going to be delayed. Not one soul told us until we got under way that once you got aboard that train you might have to stand all the way to Montreal because there were not going to be enough cars. This is exactly the sort of thing which would prove to any passenger that the management does not give a damn about passengers, and that is exactly what happened on that journey.

I will tell you what I did. As soon as that train drew out of the station, I was told there were no seats available. I got in between two cars, you know, where they

have a platform and they have that little chair sort of thing that they put on the station platform on which you step to get out on the platform. I sat there between those two railway cars and when the conductor came along he said "What are you doing there?" I said "Well, it so happens that they told me I am not going to get a seat. I have figured out the answer to that. I am going to put a few questions on the House of Commons Order Paper and eventually the CN is going to answer for this, "I began to scribble my questions on a pad. Then, the conductor, who happened to be a reasonable and bright sort of chap, said "You had better come back with me and sit down at my table and maybe we can talk this out." And that is exactly what happened. But in an enlightened day and age, when certain people running the CN knew there was a derailment between Ottawa and Montreal, they did not have the sense to tell any passenger on that trip that he should have taken the C.P. which would have brought him very quickly into Montreal with no trouble at all.

Perhaps this was the first time it had ever come home to me, but I am one of those who now believe that the railways are out to get their passengers, that the railways are now out to move all their business into the movement of chattels and goods, bulk carriers or simple carriers, with no regard for the movement of human persons from one part of Canada to another. I would not have thought, until that experience of about two weeks ago, that this was exactly what is going to happen. You may say it is paranoia or suspicion but that is exactly what I believe about the operations of the CNR and perhaps exactly what I am going to believe about the operations of the Canadian Pacific.

I agree with most of the speakers who went before me. It may be a very odd thing that members as disparate as socialist members and the hon. member from London, Ontario—I do not know what kind of member you would describe that as—or a member like myself, or a maverick Liberal, or a maverick Tory, or the like, should all share the same view with regard to the operations of the Canadian railways, but I think we all do and that surely must be some kind of tip-off to the people who run our railroads as to what we feel. I think perhaps we shall all share the same view with regard to Air Canada operations as well. These are some thoughts. The railways do have a tremendous public relations job to do, and I will tell you, Mr. Speaker, it is not an easy public relations job they have to do among the members of this House of Commons or among the members of the other place. I think the time has come when they have to do that public relations job with the public of Canada they are supposed to serve.

Mr. Richard: Perhaps I might interpose a comment. We have just heard a recital of a trip by train on that fateful day from the hon. member for Halifax-East Hants (Mr. McCleave). I was personally involved because my young daughter, 16 years of age, was on her way to Toronto that day. She was told to be there at 5.10. She was there at 4.30. A little later they told her there was an accident and the train was delayed until 7.30 when it started for Toronto. Somewhere past Smiths Falls, in the darkness, the train stopped and remained there for many hours. There was no coffee, no sandwiches. It was dawn before they landed in Toronto the next morning at 6.15.

Mr. McCleave: I think that is a very good question. It certainly makes it clear there are really no political differences when we deal with the services of the Canadian National Railways.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, everybody knows the importance of exerting an effective control over the use of public funds. As a consequence, it is our duty to review the actpons of crown corporations which, as is the case here, can spend these funds at the public's expense.

There is cause for concern about the adequacy of the programs established by the CNR in terms of public need and service. I entertain some doubts, Mr. Speaker, since for so many years we have seen a decrease in the service provided to the public by this company in terms of passenger service as well as in terms of freight transportation.

Obviously, the objective of a state owned corporation is not only to show profits. We recognize this and since the only objective is not profitability we must review all possibilities to provide adequate service to all areas of the country and particularly to those where this service is of vital importance.

There are, Mr. Speaker, some striking contradictions. For instance, at a time when we are speaking of decentralization, while we seek through the Minister of Regional Economic Expansion, to help some areas somewhat less developed than others to rise from economic stagnation, we can hardly accept that the CNR should reduce its service to these areas. This is particularly the case in my region, the Saint-Maurice Valley and in the Quebec City area where I must say that the service provided by the Canadian National Railways is becoming less and less efficient; indeed, for all practical purposes, this service tends to disappear. This is why all the municipalities presently served by the CNR are up in arms and wondering what is happening and how far the CNR will go along these lines.

Mr. Speaker, we are not against progress and we do agree that if we manage, thanks to ingenious plans, to reorient and to reorganize our railway service, this will be so much the better if this can provide better service to our citizens. But we wonder whether there is an actual improvement in the service provided.

Is there not too many individuals more interested in setting up plans and creating new techniques than being exclusively concerned with the service? Is there not connivance between the Canadian Transport Commission and the CNR and even, in certain cases, the railwaymen union?

Mr. Speaker, let me explain myself: When new plans are introduced, when a new technical orientation is

devised for the CNR as I said earlier—I do agree. But we should not at the same time forget to take the required precautions so as to solve also the human problems intimately connected with it.

For example, when it is decided to eliminate, for all practical purposes, all the stations, all the stationmasters or all the technicians who are now working in the small railway stations, is it advantageous? I hesitate to say that it may be advantageous in view of the need for decentralization.

• (4:50 p.m.)

But even more serious is the fact that they now neglect entirely the condition of human beings who have been with the company for 20, 25 or 30 years, and for whom no proper means to live fairly and decently are provided, since the existing pension fund is inadequate. And one can hardly imagine, especially in the present circumstances—while unemployment is so accute that we meet an increasingly large number of well-educated unemployed people—how difficult retraining is for an individual of 45, 50 or 55 who must get it to find a new job as well-paid as that of stationmaster or telegraph operator, for instance. Mr. Speaker, this problem must absolutely be solved.

At the present time, the way the problem is approached is absolutely unfair for a rather large number of individuals who are in the same situation. And we wonder, for instance, how it is that a company like General Motors has come to an agreement with its employees to the effect that no matter the age, retirement after thirty years of service will be granted a minimum pension of $500. Therefore, regardless of age, after thirty years of service, there is a $500 minimum pension.

Why should not the railway employees' pension fund, with a couple of millions in it, be able to solve the pension problem for those whose jobs will disappear or who will need retraining at an age where that is impossible? Those employees should have at least the same thing, especially since at this time there is no shortage of money in the pension fund.

Now, to solve the problem, if really nothing else can be done, if better techniques are available and if it is believed that stationmasters or telegraph operators in various small stations can be dispensed with, if the problem has been seriously examined and if it is considered that a more adequate and better service will be provided through the new plans, then let us solve equitably the human problem which is involved.

Therefore, what those people are asking for is rather simple and quite fair. They merely ask that retirement be made optional after twenty years of service and that after twenty years of service, an employee who cannot be transferred, cannot be retrained and decides to retire be given a minimum of $500 per month. Thus we will have at least solved his problem so that he may continue to live decently.

Therefore, it is extremely important to consider all viewpoints with regard to a truly human solution to such a problem.

Mr. Speaker, may I point out that it is five o'clock?

[Mr. Matte.]

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Moose Jaw—sports, 1976 Olympic games; the hon. member for Halifax-East Hants—finance; the hon. member for Broadview—housing.

[*Translation*]

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, notices of motions, public bills.

[*English*]

PRIVATE MEMBERS' MOTIONS

ESTATE TAX ACT

AMENDMENT TO PERMIT PAYMENT OF TAX BY TRANSFERING GOVERNMENT BONDS AT FACE VALUE

Mr. A. D. Hales (Wellington) moved:

That, in the opinion of this House, the government should consider the advisability of introducing legislation to amend the Estate Tax Act to provide that taxes, interest, penalties, costs and other amounts due and payable under that Act in respect of an estate may be paid in whole or in part by the transfer or transmission of government of Canada bonds or other securities of Canada to Her Majesty where such bonds or securities form part of the estate and were acquired by the deceased at least five years prior to his death; and that payment so made shall be deemed to be payment at the face value of such securities with interest, if any, accrued thereon.

He said: Mr. Speaker, the motion you have just read from the Chair asks the government to give consideration to introducing legislation to amend the Estate Tax Act so that Canadians who bought government bonds or other securities in good faith should be able to cash those bonds at face value for the purpose of paying off their succession duties.

• (5:00 p.m.)

In order to take care of any speculation that may be involved in such legislation I have suggested that provisions be included to the effect that these bonds or securities must have been in the hands of the deceased five years prior to death. Of course, it also makes provision for any interest or coupons that might be attached to the bonds or securities. This is the first time that such legislation or a suggestion of this kind has been made in the House, and I think it has some urgency and necessity. In view of the fact that more and more Canadians will be required to pay succession duties, this amendment is of great importance.

If I may quote from *Taxation Statistics*, in 1969 in the $50,000 to $75,000 bracket there were 2,455 estates from which was collected $5.3 million. In the $75,000 to $100,000 bracket there were 1,697 estates from which was collected $8.2 million. In the $100,000 to $125,000 bracket there were 1,008 estates from which was collected $9.3 million. The total for the year 1969, representing approximately 8,000 estates, paid succession duties amounting to a total of approximately $207 million. It would seem only fair to give people the opportunity to use these bonds to pay succession duties. The original purchasers paid $100 for them, but at the death of the individual they may be worth only $80 or $85. Under the present regulations these securities are valued at their market value when the individual passed away. My argument is that they should be taken at their face value when used for paying off a debt to the crown. They were purchased in good faith from the crown and if they are used for paying a debt to the crown they should be valued at their face value of $100.

What do the trust and corporate concerns think about such a plan? Let me read from some of the comments made by officials of these organizations. The President of the Canada Trust Company has said:

> I believe the proposal has much merit. Indeed it parallels existing policy in my own Company—and I am sure other financial institutions that issue term instruments—whereby we cash outstanding obligations before maturity at par in the event of death.

Let me quote what the president of the Montreal Trust Company has said:

> —proposed bill is commendable in principle and probably the qualification that bonds must have been owned by the deceased for at least five years was reasonable protection,—

Let me quote what the president of the Canadian Council for Fair Taxation has said:

> I am quite sure, however, that in order to prevent trading in these bonds, it would be necessary to restrict this privilege to any bonds in the possession of Canadians before say January 1, 1972.

The president of the Canada Permanent Trust Company stated:

> The proposed Motion would certainly be advantageous to many estates and, as a corporate executor, we would support it.

Those are some of the comments made by people engaged in this field.

I do not propose to take any more of the time of the House at this stage. I think I have put forward the idea as clearly as I can. In respect of perpetual bonds, I should like to make one or two comments. People purchased these bonds at $96.50, yet on today's market they are perhaps worth $42 or $44. The bonds have been in their possession for 35 years and have been paying only 3 per cent interest. Indeed, I know of a widow whose husband had purchased about $50,000 of these Canada perpetual bonds bearing 3 per cent interest. If we look at the situation in a very fair and reasonable light why should these bonds not be accepted by the crown at their face value for the purpose of paying estate taxes? Admittedly this would allow some capital gains, but that would be a much smaller amount in relation to the over-all benefit provided to long-term holders whose estates would have the opportunity of gaining the face value for the payment of succession duties.

Let me conclude my remarks by giving my reasons for suggesting this legislation. It is only fair and reasonable that these bonds should be accepted at face value for the payment of a debt to the Crown. More and more people are involved in succession duties. This legislation would be useful to a greater number of Canadians at a cost not too great so far as the government is concerned.

As I said earlier, the government collected only $207.1 million in 1967, in the form of succession duties, from approximately 8,000 estates as compared to $5 billion in personal income tax. The adoption of this proposal would give a tremendous advantage to widows and senior citizens. The inflation allowed by this government has cost these people a great deal, and through the adoption of this legislation the government could pay back much of the loss incurred as a result of inflation.

Several trust companies in Canada cash outstanding obligations or debentures before maturity at par in the event of death. If an individual owns a debenture which is due sometime after the death of that individual, many of these companies will accept it at par. I suggest the government should do likewise as this is only fair and reasonable. I will be most happy to hear the views of other members of the House in respect of my proposal.

I hope hon. members will not talk out the bill before six o'clock. I should like it to come to a vote. It is my hope that the government will see fit to have this motion referred to the Committee on Finance and Economic Affairs at which time officials from the Department of Finance, the Bank of Canada and others could give their views. I feel it is a fair and reasonable proposition put forward on behalf of Canadian citizens.

• (5:10 p.m.)

Mr. Robert P. Kaplan (Don Valley): I am glad to be able to participate in the debate on this very interesting question. I regret that I may not be able to be as brief as was the hon. member for Wellington (Mr. Hales) who presented the resolution. I would like to read the resolution because I think a misunderstanding has developed initially about its import. It reads as follows:

> That, in the opinion of this House, the government should consider the advisability of introducing legislation to amend the Estate Tax Act to provide that taxes, interest, penalties, costs and other amounts due and payable under that act in respect of an estate may be paid in whole or in part by the transfer or transmission of government of Canada bonds or other securities of Canada to Her Majesty where such bonds or securities form part of the estate and were acquired by the deceased at least five years prior to his death; and that payment so made shall be deemed to be payment at the face value of such securities with interest, if any, accrued thereon.

The hon. member suggested in his remarks that this would imply that the bonds were acquired by the decedent at face value. But in fact, when you read the actual text of the resolution, it is apparent that all a person has to do is buy the bond more than five years prior to his death to qualify for this special treatment. One can pick

up bonds in the market today, some of the least successful bonds, at 40 per cent or less of their face value. Presumably, therefore, such bonds could be acquired at this enormous discount and could be used by a person five or six years later at face value to discharge his estate tax obligations. I do not think the hon. member in his statement faced up to the possibility of that taking place. Certainly, the language of the resolution would permit it.

However, I do not want to deal solely with the technicalities of the resolution. In general, it is a recognition of the important fact that inflation is a fact of life, and that it is an unfair factor. Second, in addition to a recognition of the evil of inflation, the objective of the proposal, apart from the technicalities, is to produce equity for a certain class of victim of inflation. The resolution has that objective, but I do not think it has that result. I would like to deal in turn with these two aspects: first, the recognition of inflation as an evil in our society, and second, the proposal to compensate one very small segment of our population for the impact of inflation.

I do not think there is any doubt that while some people benefit, and have benefited in the past from inflation in our society, by and large it is a general evil of which all of us eventually become victims. Not only that, it is a danger to society as well as to our economy. From the point of view of the evil that it represents to the individual it is apparent, when you look at it and consider the cases to which the hon. member himself referred, it is en evil which preys more on weaker members of society than on strong members. People whose savings consist of bank balances, of annuities, of pensions contributed during the working period of their lives for their retirement, are those who are hit most hard. These tend to be the assets of the less wealthy members of society, and these are the assets which are hardest hit by inflation. I think it was with this in mind that the late President John F. Kennedy referred to inflation as a cruel tax on the weak. Indeed, it is that. It is a tax which strikes those least able to pay it, those whose assets are of a fixed nature.

Viewed from the point of view of society as a whole, inflation can, and indeed should, be regarded as a transfer of wealth. It is a transfer of wealth from lenders to borrowers. It is a way in which, over a period of years, those who have lent their money transfer a part of their wealth in real terms to those who borrow it. From the point of view of the government's responsibility, it can be seen that, at least in the short run, the government is one of the greatest beneficiaries of inflation because it is the largest debtor in the country by far. So, one should regard inflation as a transfer of wealth from the private sector to the public sector. Not that it is an object which the government seeks to achieve because we have recognized that inflation is not in the interest of the government any more than it is in the long run in the interest of any particular individual.

The hon. member's resolution comes to terms with the fact that bond holders are victimized by inflation at accelerating rates. But there are other victims of inflation in society, and one wonders why this resolution is so narrow that only the interests of the smaller group are taken into consideration. I sat on the committee which heard representations about tax reform. One of the proposals for tax reform was the establishment of a capital gains tax, and a number of representations were made asking for mitigation on behalf of those whose position was worsened by inflation.

I would like to cite three completely different ways in which inflation can damage the individual. First, we received representations on behalf of those whose assets go up in value over a period of time because of inflation. They buy land or stocks, and inflation is taken into account in the market price. When their assets are sold, the government's white paper proposed that a tax be imposed on the full capital gain, with no recognition being given to inflation. Representatives on behalf of these interests urged us to permit inflation to be taken into account and to make adjustments so that they would not have to pay taxes on anything more than an inflationary gain.

But when you look more deeply into the matter, you consider the interests of another group which is affected just as seriously by inflation. These are people whose assets decline in real value. One could take the example of the bond holder, or the example of an annuity holder. He buys a ten year annuity for, say, $1,000 which pays $60 a year to him. Every year for the ten years he receives the $60 as income and pays income tax on it. At the end of the ten years period he gets back $1,000 when his annuity is redeemed and finds that its real value may have declined by as much as 40 per cent. This is the case of an individual who suffers from inflation just as severely as a man who realizes the capital gain, who pays a tax every year in the form of taxation of his interest or annuity income, and at the end of the period may find himself worse off. What of the equity of doing something in the way of inflation adjustment for the man with the capital gain and doing nothing for this second individual whose real assets have declined in value and who has had to pay tax every year?

• (5:20 p.m.)

A third group are people who are on fixed salaries for a fixed period, for a two or three year term. These individuals have bargained for a certain level of real income to last for a given period, and they find that over that period they are victimized by inflation as well, with no account being taken of it by the Income Tax Act. Mr. Speaker, all of these are people whose situations suffer because of inflation. But the point I want to make, by using these three examples of extremely different kinds of economic activity that suffer from inflation, is that everyone in society suffers from inflation in the long run. The solution, surely, is not to give special benefits to a small group but for the government to take whatever steps are necessary, and to obtain the co-operation of all segments of society where that has to be done, to ensure that inflation will not continue.

I would like to look again at the specific benefits that would result from the proposal of the hon. member for Wellington (Mr. Hales). Who are the people who are to

benefit? First, Mr. Speaker, they are people who pay estate taxes, and that is a very small sector of our society. Even though $50,000 may seem like a small amount to the hon. member, there are very few people who die with an estate that large, although I agree with the hon. member that there will be an increasing number. The real victims, the weak who suffer the cruel tax of inflation, may not have a taxable estate. They suffer from inflation with no adjustments proposed, because they are too poor. So, you have to have a certain status, a certain economic position, before the benefits which are proposed by the hon. member would apply.

Secondly, you have to have invested in government bonds. Now, Mr. Speaker, there are all kinds of bonds. I do not think it is in the interests of the government to try to corner the market for loan capital. I do not think it is in our interests to see government bonds very much more desirable than other bonds because I think it is important that bonds offered by the private sector are also attractive investments. However, only those who have chosen to invest in bonds of the government are to get any benefit from the proposal put forward by the hon. member.

A third factor to be kept in mind is that bonds do not only decline in proportion to inflation. The value of bonds is also affected by their interest rate, so that as they may go down in value because of inflation taking place they are also affected by the particular interest rate at which they were contracted. It very often happens that bonds can be declining or increasing at the same time as the interest rate is going one way or the other, so that their value is not only related to the amount of inflation taking place but related to the changing interest rate. For example, in the last few months government bonds have been sharply increasing in value, but I do not think the opposition would be willing to acknowledge that inflation has disappeared or is declining in a proportionate amount.

The five year rule which the hon. member has proposed not only compounds the unfairness of the proposal but adds an element of Russian roulette because it is an arbitrary number, and based on an arbitrary number one's estate tax liability is to be determined. I think for a rule along this line here to be considered it would surely be inappropriate to attach some arbitrary qualifying period to it.

I would like to conclude, Mr. Speaker, by simply pointing out again that the appropriate strategy, in my opinion, for dealing with inflation is not to go around creating loopholes for particular individuals to escape from the effect of inflation. Everybody suffers from inflation. The appropriate solution is for the government to seize upon a policy of monetary control and policy of fiscal control which assures that inflation, if it is to take place, will take place at a steady rate rather than an arbitrary unanticipated rate, or to a constantly accelerating rate.

Since I have a few minutes left, I might refer to the excellent suggestion which the hon. member made when referring to the illustration of those trust companies which agree to redeem bonds at face value regardless of their market value at the time that they may be tendered for redemption. This is an excellent idea. It is nothing more than an insurance feature of a bond. I would urge the Department of Finance to consider offering bonds which do contain an insurance feature, that is to say, which contain an assurance that when tendered on the death of the purchaser they will be redeemed at face value. The interest rate paid on them will have to be proportionately less because this is an actuarial problem which would have to be included but, if I may use the Bay Street term, it is certainly a sweetener which will make the bonds far more attractive. In that connection I am glad to have that suggestion brought to my attention, and I hope it will also come to the attention of the government.

Mr. Murray McBride (Lanark-Renfrew-Carleton): At the outset, Mr. Speaker, I wish to commend the hon. member for Wellington (Mr. Hales), in whose constituency it was once my pleasure to live, for putting this very thoughtful and practical notice of motion before the House. In particular, he suggests that the Estate Tax Act be revised:

> —to provide that taxes, interest, penalties, costs and other amounts due and payable under that Act in respect of an estate may be paid in whole or in part by the transfer or transmission of Government of Canada bonds or other securities of Canada to Her Majesty where such bonds or securities form part of the estate and were acquired by the deceased at least five years prior to his death; and that payment so made shall be deemed to be payment at the face value of such securities with interest, if any, accrued thereon.

I wish to direct attention to two phrases in this notice of motion. The first is the five year provision to which the hon. member for Don Valley (Mr. Kaplan) has alluded. If we are going to pursue this suggestion should we not think of a period perhaps double that length, say eight or ten years, because in its present form it creates the loophole that has already been articulated by the hon. member for Don Valley. There is that weakness in it.

Mainly, Mr. Speaker, I wish to comment on the next part of the notice of motion which says that the bonds or securities shall be deemed to be payment at their face value, etc. Here we come, I think, to the social costs of inflation, the social costs that have fallen upon all segments or our society including—and this factor has not been yet introduced in this debate—governments. The one segment of society that must pay part of the price, or indeed the lion's share of the cost of inflation, is government itself.

• (5:30 p.m.)

But it is the government which through such issues as government of Canada perpetual bonds has been able to devise through the years an instrument whereby it is able to dole out this cost to be borne by individual citizens on behalf of the country as a whole. In other words, the cost of inflation falls on government just as it falls on every citizen in society. However, through such techniques as perpetual bonds the government is able to pass on to individuals the cost of that which should really be borne by the government itself. This, it seems to me, is basically unfair.

I think, therefore, that the gist of the hon. member's motion is that it seeks redress, in the sense that government ought to take upon itself this hardship or some segment of it. Obviously, this motion is not a panacea for solving all the problems that infest a culture as a result of significant inflation. It merely suggests that the government ought to take on itself a portion of the burden that is caused by inflation and climbing interest rates because the money raised by the original issuance of those government bonds was for government financing.

Many Canadians, many of whom unfortunately are now of advanced years, are finding themselves in the position of one person who wrote to me some months ago on this subject. I quote from a letter that I received. I realize that I am bringing this question down to the personal level. This person wrote:

I am writing you a letter re perpetual bonds which are paying 3 per cent interest and have a base market value of 49. I am stuck with $7,000 worth and I need more income. I managed to save that amount when teachers' salaries were very low and am now on a small pension—

I understand that Mackenzie King had instituted these bonds on a trial basis. Each bond was labelled "Can be called in September, 1966." As you know, Mr. Sharp committed what I consider legalized robbery when he refused to call them and added 30 years to their duration.

Now, how many holders of these bonds will be living in 1996—very few, and we need our money now.

This situation is a gross injustice—

One woman . . . is 89 years of age and holds $5,000 in perpetual bonds. Several others of my acquaintance are stuck with them.

Surely the point is this, Mr. Speaker, that the interest rate is not only low but that the value of the money has gone down as well. The value of the dollar has been eroded, while the value of equal amounts invested in most stocks or real estate over the same period of time has increased dramatically. Thus, people with bond investments have suffered doubly and many are now in the poorest position to defend themselves against this insidious erosion of their savings, as the writer of the letter pointed out.

It therefore seems to me that, above all, the motion of the hon. member for Wellington demonstrates in a stark and simple fashion the evils of inflation and how the average Canadian suffers thereby. But beyond those considerations, I for one think that the nation as a whole must lift a portion of this crushing burden from the shoulders of men and women who did nothing wrong except to believe in Canada enough to invest in her future. They have been stung, and stung badly as a result of their confidence in their country.

I recognize that the writer of the letter from which I quoted harbours some impressions that are basically wrong. There are abroad some basic misunderstandings about those bonds and the government's obligations in issuing them. In order to be fair, I quote from a letter dated March 12, 1969, from the Minister of Finance (Mr. Benson). He wrote to me in part as follows:

In 1936, the government of Canada issued $55 million of those 3 per cent perpetual bonds at a price of 96.50 per cent to yield 3.11 per cent in perpetuity. Since the bonds were offered at a relatively attractive yield and gave investors an opportunity of purchasing, in effect, an attractive annuity, the issue was broadly distributed and received a good market reception. While this was the first issue of perpetual bonds in Canada, similar bonds had long been an important part of the United Kingdom's debt structure. In fact, in 1935 about 60 per cent of the U.K.'s marketable outstanding debt was in the form of perpetual or undated bonds.

The next paragraph concerns a number of investors in Canada including, perhaps, the constituent who has written to me on the subject as well as others who have written to hon. members. The statement continues:

Unfortunately, a number of investors misunderstood the nature of these bonds and apparently still do. The bonds—

This is the important point.

—have no maturity date, as their name implies, though they did become callable at the government's option on September 15, 1966. This is a normal feature of such bonds. The well known U.K. 2¾ per cent consols, for example, which became callable on April 5, 1923, are still outstanding and have a market price currently within a range of 32 to 35 per cent of par value.

The hon. member for Don Valley said that some of the less attractive issues stood at around 40 per cent of par value. The particular bond issue that was referred to in the statement was callable in 1923. The letter goes on:

In fact, this callable option protects the government in the event that interest rates decline substantially. However, the last coupon on the bearer bond and the coupon-registered bond certificates also became payable on September 15, 1966, the date when the government's option began. A number of Canadian investors incorrectly assumed that the bonds matured on this date. Furthermore, an issuance of a new certificate with an additional supply of coupons attached thereto, sufficient for the next 30 years—

That was the point to which my constituent's letter alluded.

—does not mean that the perpetuals have been issued for another 30 years. The perpetuals continue to have no maturity date.

These bonds are marketable bonds and their price is determined in the bond market. Since the perpetual bonds were issued, their market price has generally reflected changing levels of interest rates in Canada. Their market price for several years after the war exceeded the original issue price. Sellers of the bonds at that time could have obtained a capital gain from the original issue price. In recent years interest rates in Canada and elsewhere have risen to higher levels and the market prices of perpetual bonds and many fixed interest obligations have, as a consequence, declined substantially below issue prices.

• (5:40 p.m.)

From correspondence I have received I am aware that there are a number of perpetual bond holders who can ill afford the capital loss that would be involved in selling at current market prices. A good deal of consideration was given to this problem including possible ways in which some of these hardships could be alleviated. Unfortunately, all such proposals carried with them the implication of protecting investors in marketable securities from the vagaries of the market. To accept this principle, even in circumstances designed to alleviate hardship, would lead to demands for similar treatment by all other investors in government of Canada marketable securities selling below issue prices.

It is cold comfort for the average citizen to learn that the traditional callable option exists not to protect the citizen from a future shift in interest rates but to protect the government. If the going interest rate should decline

substantially, the government can recall the bonds and presumably issue new ones at lower interest rates. If, on the other hand, interest rates rise dramatically, the government has in effect obtained cheap money at the expense of the citizens and there is nothing the citizens can do about it. That is the nub of the matter and that is the cause of the grievance.

It seems to me the hon. member for Wellington has drawn attention to a legitimate grievance when he places this question before us today. The injustice built into such a system must surely be self-evident to most members of the House, especially so in a day when all of us in public life are, or at least ought to be, sensitive to the need to protect individuals against the colossal power of the state. In addition, our role as private members requires that we decry this dead-end street in which a portion of our constituents have found themselves. Indeed, our present role of ombudsmen which amounts to such a large slice of our function as members of the highest court in the land, if not common compassion alone, requires us to air this serious social grievance.

Allowing the face value, plus interest accrued, of such securities as payment of tax on settlement of estate duties would permit the financial loss to trickle back into government financial coffers, but this is hardly an adequate solution as far as those who hold such bonds are concerned. It is hardly sufficient for people to be told that when they are dead and gone and when their estates are being settled, then, and then only, will the bonds be worth what they say they are worth on their face. Such an arrangement will only benefit the heirs, not the people who need the benefit.

The main contribution I wish to make to the discussion today is to point out that this load falls most heavily on the shoulders of those who are least able to carry it. In other words, there are thousands of citizens across our land, most of whom are now elderly, who are caught in the trap about which I read in the letter I quoted earlier.

In conclusion, I want to quote a couple of sentences from the final report of the Special Committee of the Senate on Aging which was completed a few years ago. It draws attention to the financial difficulties in which elderly people so often find themselves. I quote:

> We deplore the tendency to confuse economic dependency with social or psychological dependence. To assume that one who needs financial help must be an inadequate individual will help to make him feel unworthy and preclude satisfactory solution of his plight. The elderly are particularly sensitive to any implications of that kind.

They are particularly sensitive when they have in fact long since put by considerable sums of money, especially taking into account the conditions when their earning power was at its highest. Then they find that because of inflation on the one hand, and because they got into buying the kind of bonds we have been discussing, they are forced, in spite of having savings, to live in meagre circumstances or in ways that require them to ask for assistance, when they feel strongly that they ought never to have been obliged to seek that kind of assistance or to suffer what amounts to a financial loss.

This reminds me of a blunt statement which appears to sum up the position in which these people find themselves: It is no disgrace to be poor, but it is damned unhandy. In this sense, if we can find a way to improve the situation of elderly people as suggested by the hon. member for Wellington, we ought to seek to do so by every avenue available to us.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I should like to thank the hon. member for Wellington (Mr. Hales) for again bringing before the House the subject of inflation. I think it is regrettable that no one from his own party or indeed from any other opposition party should have seen fit to support him in this very worth-while endeavour. This is attributable, however, to the economic tunnel-vision that hon. gentlemen opposite enjoy. Now that they have discovered unemployment, they have forgotten inflation.

Mr. Knowles (Winnipeg North Centre): We are waiting for your words of wisdom.

Mr. Mahoney: I was trapped into being unprovocative last Friday and I welcome the opportunity this afternoon to stimulate some interest at least in some of the other dimensions of the Canadian economy. The hon. member for Wellington raised a number of questions in his speech, and I would certainly be prepared to resume my seat for a few moments to give him an opportunity to answer some of them. He refers, in his resolution, to "other securities". Before the House could properly deal with the issue he places before us he might wish to give us some idea of what he has in mind when speaking of government securities other than the bounds he specifically mentions.

Other speakers have dealt with his five-year proposal as protection against speculation. I have grave doubt that the holding of these bonds for five years—to use the perpetuals as a specific example, in the light of their tremendous discount today—would ensure against speculation. The hon. member also suggested in his speech that trust companies redeem their debentures at par. I should like to know whether this is a matter of policy or one of contractual obligation on the issuance of these debentures.

• (5:50 p.m.)

The hon. member for Don Valley (Mr. Kaplan) commented the insurance feature of government of Canada bonds for the consideration of the finance committee in cases of future financings. However, I would point out that Canada Savings Bonds do indeed have this feature, and the parity feature is not dependent on the death of the registered holder. The insurance of parity feature, to use the term of the hon. member for Don Valley who is familiar with Bay Street jargon, is a sweetener that the government of Canada has used in the case of some bond issues and I am sure will use in others.

Another question raised in my mind relates to his suggestion that the finance committee of the House might profitably have an opportunity to consider this matter. The resolution before the House does not embrace that

concept and again I am wondering whether it was the intention of the hon. member that a general reference of this kind should be made to the House of Commons.

Therefore, on the question of other securities, on the question of the adequacy of the five-year holding provision, on the question whether trust companies' redemption of their debentures at par on death regardless of market value is a question of policy for the companies concerned or a matter of contract, and on the question of reference to the finance committee I would be quite prepared to yield the floor immediately and let the hon. member—

The Acting Speaker (Mr. Richard): Order. I have been following the hon. member for a few minutes, and it is not in order for him to choose an hon. member and ask him questions or to intersperse his speech with questions to any hon. member. The hon. member may accept questions, but I must insist on following the rules. If the hon. member sits down he will have released his right to speak further.

Mr. Hales: I would be very happy to answer the hon. member's question, Mr. Speaker.

The Acting Speaker (Mr. Richard): I am sorry. We have breached the rules badly in the past few years. There is too much verbal intercourse between members on both sides of the House at the wrong time.

Mr. Mahoney: I very much regret even attempting to allow this matter to degenerate from the making of set speeches to a debate.

Mr. Hales: Talk about oil, Pat.

Mr. Stanfield: Surely the promoters of the just society have all these answers.

Mr. Mahoney: We have had the opportunity to consider the matter of inflation for the first time in a long while. Regrettably, hon. members opposite have not chosen to be drawn into the debate, but perhaps they will. I am very sorry that the hon. member for Wellington will not have the opportunity to elucidate further his comments, and I apologize to the Chair for not raising the question when the hon. member himself had the floor.

Mr. Knowles (Winnipeg North Centre): Would the hon. member accept a question?

Mr. Mahoney: Certainly.

Mr. Knowles (Winnipeg North Centre): In view of his desire to hear once again from the hon. member for Wellington (Mr. Hales) who proposed the motion, does the parliamentary secretary realize that if he were to sit down now the hon. member, by virtue of his having moved the motion, could get the floor again to close the debate?

Mr. Mahoney: Yes, I am quite aware of that. However, I should like an opportunity to finish my remarks and this presents us with the dilemma we now face. The question of inflation which is raised by this motion is one that has been of very major concern to the government over the past many months. The hon. member is aware that the consumer price index dropped in December by 0.4 per cent, which is the first such decline between the months of November and December in more than a decade. He will also be aware that the year to year increase in December amounted to 0.5 per cent, the smallest increase since December, 1954. By contrast, the year to year increase in the consumer price index in the United States, taken December to December, amounted to 5.6 per cent. For the year as a whole, consumer prices went up an average of 3.3 per cent in 1969 in Canada compared with an increase of 6 per cent in the United States.

I think that the battle the government has waged against inflation over the past year and a half is one that has been successfully waged. While the hon. member's resolution is well worth considering—and he may rest assured that I will commend it to the finance minister for his consideration—it is one that perhaps is not as timely now as it was a year ago. In fairness to the hon. member, I would be quite prepared to have him answer my questions, but I think the Parliamentary Secretary to the Prime Minister (Mr. Danson) has a few comments to make and the hon. member may not have the opportunity.

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I see the time is short and perhaps I should have spoken on the railway financing bill, which might be a more satisfactory vehicle for expressing oneself. I think the motion of the hon. member for Wellington (Mr. Hales) is motivated by grave concern and deep compassion. Similar sentiments were expressed by my colleague from Renfrew-Lanark-Carleton (Mr. McBride).

The whole quetion of perpetual bonds in particular is one that concerns all of us. It is a subject on which many of us have received letters from senior citizens who have bought these bonds in good faith and now find their investments are not as worthwhile as they thought at the time. It would be nice to find an easy solution to the problem, though easy solutions usually come from gentlemen on the opposite side to my far right. However, they are not here to speak to this matter. Perhaps this is one of the difficulties in reaching solutions to inflation, among others that have been mentioned during the debate.

One suggestion I had from a correspondent as far back as May, 1969, in regard to these bonds was to allow senior citizens who have held them for a number of years to use them as a deposit on government annuities to supplement their old age pension. From the point of view of compassion I think this is a noble suggestion. If people express the wish to do this and are prepared to accept a discount of 25 per cent or even 30 per cent—

The Acting Speaker (Mr. Richard): Order. The seventeenth hour appointed for the consideration of private members' business having expired, I do now leave the chair to resume same at eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CANADIAN NATIONAL RAILWAYS

PROVISION FOR CAPITAL EXPENDITURES, GUARANTEEING OF SECURITIES

The House resumed consideration of the motion of Mr. Benson that Bill C-186, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1970 to the 30th day of June, 1971, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be read the second time and referred to the Standing Committee on Transport and Communications.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, may I be allowed for a few minutes more to explain why I am participating in this debate.

It is obvious that the Canadian National is intent on pursuing, at any cost, the centralizing of all its operations. We are being assured that it will thus give better service. We have some doubts regarding this.

Direct transportation of goods from Quebec to Montreal, for instance, will keep several communities or municipalities from growing. Montreal will become still more monstrous, and companies which might have become interested in investing in economically weak regions will not be so anymore, because of difficulties brought about by a lack of railway transportation. There are also numerous other consequences which may sometimes be disastrous.

Good maintenance and operation of railways require the presence of employees in all places. For instance, last year, CNR employees discovered, while going their rounds, that a rail length was cut. So as to avoid accidents and disasters, it is important to decentralize services.

If the revenue of the Canadian National is insufficient, the situation will not be corrected by abolishing such important positions as those of stationmaster or telegraph operator. We must not forget that it is by providing better service that we will increase traffic and make the company's operations more profitable.

The carelessness and unconcern of the Canadian National tend to discourage the population. How perplexing is the fact that roadmen travel by truck on already congested roads rather than move from one place to another by rail. This is all the more inconsistent that in travelling by train, the roadmen could detect and correct minor troubles. Otherwise, the Canadian National just acts as if it were not interested in railroads any more.

What about, for example, the employees who only work eight months a year, while others are hired and paid time and a half and double time and may that way increase their income substantially?

Therefore, Mr. Speaker, I come to the conclusion that it is necessary to think it over before making any change which might prove inefficient and useless. If in spite of all, we are to make them, we shall have to take into account the need for finding a fair and just solution for all the employees who have spent part or the whole of their lives serving the Canadian people through the Canadian National Railways. They have worked hard, toiling strenuously and conscientiously, often risking a little and sometimes much of their health.

Trying to get rid of them off-handedly by doing something which to them would mean that they have become useless, or still worse, by sending officials to tell station masters: "Find yourself a job, this station may be closed", that should never be done.

There are two alternatives: freeze these employees' jobs until they reach retirement age or give them the opportunity of retiring after 20, 25 or 30 years of service, whatever their age. Retraining is no longer possible at a given age and depreciating the dignity of these people by using them at odd jobs without any consideration for their qualifications, is absurd and degrading.

Furthermore, the minimum pension, after 20 years' service, should be approximately $500 a month. It is often said that companies are like a body without a soul. In this case, it would be all the more absurd to act inhumanly that it is the Canadian people who pay the cost, and I am convinced that my fellow citizens would be delighted if the problem were solved in a fair and reasonable manner.

Mr. Speaker, we must not forgo human dignity for technological progress, and in the changes considered by the CN, we must examine their human effects, and this is why we must find an immediate solution to this problem, in order to promote good will among all the employees of this Crown corporation.

• (8:10 p.m.)

[*English*]

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I would like to take this opportunity to say a few words before this bill goes to the Standing Committee on Transport and Communications. In general I agree with many of the remarks that were made in the House today by members from all parties. If the CNR and the Minister of Transport (Mr. Jamieson) would heed some of these remarks, we would be very much further ahead.

I would be remiss if first of all, I did not express a great deal of happinness at the announcement made by the Minister of Transport last Friday that CNR pensioners will be getting a raise in pension which they fully deserve. I am sure that day will go down as one they will long remember. The only thing with which I am somewhat disappointed is the length of time that it took to convince the CNR and the people who have the power that an increase in pension was needed so badly. For

many years we saw some retired employees of the CNR living in conditions that were absolutely unnecessary, on a pension that was highly inappropriate, before the CNR realized that something should be done.

The recommendation of the Standing Committee on Transport and Communications with regard to people who are already on pension has now been accepted. I, along with others, congratulate the committee for making this unanimous recommendation and for being able to convince the CNR and the Minister of Transport to make the increased pension a reality. Under the new scheme the retired employees will enjoy greater pension benefits. The same will be true with regard to the widows of deceased CNR employees.

I should also like to say that in the future I hope the CNR will be more responsive to the wishes of and recommendations made on behalf of its employees and pensioners than they have in the past. This is something of which they should take heed: they should set an example to other corporations both private and public in dealing with their employees. I think that once senior citizens retire from work they should no longer have to worry about financial problems and they should be able to live in security. These are the people who have laid the foundations of this country, and in western Canada they are the pioneers who opened up the west.

As I said before, I welcome the increase in pensions and the decent break that CNR pensioners will finally have. Many people have suggested that much of the credit should go to the committee which came out with a unanimous recommendation to this effect. I too would like to add my voice to those who have congratulated the committee. But first and foremost I must congratulate the pensioners and employees themselves who for so many years have been determined to put their case forward and have finally convinced the CNR and the minister that they have a case.

In my own constituency there are some 600 CNR employees who have for years petitioned and prepared briefs which they have sent to the CTC, the CNR and the minister. Finally these efforts have paid off. I know that when the Standing Committee on Transport and Communications was meeting and considering making recommendations on the pension, these people were there submitting their briefs. I think they are largely responsible for finally convincing the CNR that they have a case. I would like to join other hon. members, such as the hon. member for Moose Jaw (Mr. Skoberg), in congratulating these people for their determination.

The CNR is a Crown corporation that should be operating to serve the people of this country. A debate such as this gives us an opportunity to look at the different things the CNR is doing or perhaps should be doing to broaden its service in Canada. In the speeches made by hon. members earlier today and on other days many shortcomings have been pointed out. For example, the hon. member for London East (Mr. Turner) informed the House of many things to which people who sit in the seats of power should listen and take heed.

I myself, coming from Saskatchewan, am very concerned about many of the pressures that are put on the CNR and indeed on the CPR. I am very concerned about the many pressures upon the transportation systems to centralize. Here, of course, I am talking about pressures to abandon rail lines and railroads which are not used as much as are some of the main lines. I am very concerned about the pressure to abandon passenger service in many parts of the Prairies. I am also concerned about the pressure being exerted by the CNR on the CTC to eliminate the station agents in small centres, towns and cities of Saskatchewan.

I am concerned about these things because I think it not only creates a great deal of difficulty for the employees but also the people in rural Saskatchewan and other parts of rural Canada, because it is only expediting what is happening in rural Saskatchewan, that is the movement of people from farms and small towns into cities. All of us who are from that province agree that there are already too many ghost towns in Saskatchewan. What is happening is that a whole way of life is being challenged, and moves such as those contemplated by the CNR or indeed by the CPR only expedite that trend in our province. I think this is a trend that should be reversed.

I would like to spend two or three minutes talking about our general transportation policies and perhaps making a few suggestions as to what should be done. As I watch the people in charge of transportation in Canada today, I cannot help getting the impression that they do not really have an over-all transportation policy. What I see is a piecemeal, ad hoc approach to transportation. We do not have the over-all planning that I think is so necessary in a country as large and as diverse as Canada. I think we must have a national transportation policy with a top priority of being of service to the Canadian people no matter where they live, whether it is in Newfoundland, the Prairies or western Canada. Our transportation policy must be responsive and sensitive to the needs of people in all parts of Canada.

• (8:20 p.m.)

Secondly, Mr. Speaker, we must have an efficient transportation system and one that can operate cheaply so that every Canadian, no matter where he lives or what type of money he makes, can use the system any time he so desires. When we evolve a proper transportation system in this country we must keep in mind things such as pollution. The automobiles on the road today are one of the greatest contributors to pollution. When we evolve a proper transportation system it must be one that lessens pollution and not increases it.

It is the duty of Members of Parliament on both sides of the House to keep pressuring the government, the CNR and the CTC to formulate immediately a plan that will intelligently organize and co-ordinate national transportation services in Canada. This must include all types of transportation, not just the railways but automobiles, airplanes, bus transportation and what have you. Perhaps I could spend one or two minutes talking about the problems that are involved in some of these other areas.

The bill before us concerns Air Canada as well as the CNR. In the Prairie provinces a great deal of the air

transportation service is provided by regional carriers. I look again to my own constituency for a good example of this. Yorkton is served by a regional carrier. It provides a service, not once a day but maybe four or five times a week. The schedule often changes every three or four months; it is irregular and limited. When you have a whole series of unplanned regional carrier services, you are only asking for inefficiency, you are only asking for something that does not take the needs of each community into consideration. A community the size of Yorkton should have regular, cheap, efficient air service. It doesn't have that today. We should work as rapidly as possible to integrate the regional air carriers with Air Canada. In that way better services could be provided to all communities regardless of their size. We should have one air transportation system in the country. When we have several we are only asking for inefficiency and inferior service.

In conclusion, Mr. Speaker, my impression is that transportation in Canada today is badly planned. It is provided by different companies on an ad hoc basis. There is a general lack of government control over transportation planning. As I said before, we must evolve a national transportation plan in which the government has influence and where it can take into account all factors and all types of problems. I think we must have a transportation system that is publicly-owned. One transportation system would be more efficient than present arrangements and it would be more responsive to the needs of people. Again I say that I am talking about a publicly-owned transportation system that could be orientated to the service of the people. In that way we could plan according to social priorities and needs.

Once again I welcome the announcement made the other day by the Minister of Transport, bringing into effect the recommendation of the Tranport and Communications Committee pertaining to the pensions of retired employees of the CNR. I suggest to the minister once again that he do something about long-range transportation policy. This is badly needed, not only for the railway system but for the airlines as well. Smaller communities should not be penalized. It is time to integrate the regional carriers into a national system and let Air Canada service the whole country.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I will endeavour to be brief because I know the Government House Leader is anxious to get this bill on its way, and by the attitude of the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) I can see that he is probably anxious too. I hope he will be influenced by that anxiety and so restrain himself from his usual observations from his seat.

This is a very important bill, a very important event in the legislative process of any session of Parliament because it gives us an opportunity to voice our frustration at the CNR. I am sorry that the Minister of Transport (Mr. Jamieson) is not here tonight. I do not see his parliamentary secretary in his seat either. I am sorry because what we have to say about transportation in Canada, especially as it applies to the CNR and Air Canada, should be of importance to them. After all, the minister does have the statutory responsibility of reporting to Parliament for these two Crown corporations.

Canadian National Railways and Air Canada are very important to the Atlantic provinces, and especially important to my province because transportation in Newfoundland in general is Canadian National. Right from the outset of this Parliament we have been concerned following the announcement that rail passenger service in my province was to be eliminated and replaced by road service. We have been pressing for a statement of policy from the government and from Canadian National as to the exact nature of their future plans for Newfoundland, but I am sorry to say that we are still as much in the dark as ever.

Surely it is not too much to expect that Canadian National, which is so important to my part of the country, should be in a position to announce its long-range intentions with respect to the many services it provides. We hear suggestions from the Minister of Transport that continual discussions are taking place with respect to the coastal service in Newfoundland. Indeed, just a few days ago he said he would like to see the coastal service replaced by a more efficient method of transportation. Certainly that is a desirable objective, one with which we all agree, but whether or not it is an attainable objective is something else again. I suspect, and I have long held this belief, that there is a plan within the CNR a plan with a definite time limit, to eliminate the coastal service in Newfoundland and indeed to eliminate railway service in Newfoundland entirely. The events of the last few years certainly indicate this to me.

The railway in Newfoundland today is not as efficient as we would like to see it, yet it still occupies a very important place in the over-all transportation set-up of the province. The coastal service is still very important; it has a vital role to play in providing our people with goods that are so necessary to their way of life around the coast of Newfoundland. Of necessity, these services require substantial public subsidies and will continue to require them. These subsidies should be granted for as long as they are required, provided we as Members of Parliament discharge our obligation during our annual examination on the CN annual report and our annual consideration of this bill to determine whether the service is as efficient as it should be, whether we are getting value for our money and whether we are getting the service that we need. I do not think we are, Sir.

• (8:30 p.m.)

It is a well known fact, for example, that the ferry link between the province of Newfoundland and the mainland is not what it should be. We have often experienced frustration as a result of not having enough accommodation to provide passage for the many tourists who want to visit Newfoundland or for people who either want to visit the province or leave it in their day to day activities. Now, after making repeated representations in this regard, additional ships are to be provided during the peak months of June, July and August.

It is only now that that suggestion, repeatedly made in the Standing Committee on Transport and Communications, has been given serious consideration. In this respect we were encouraged a few days ago when we heard the Minister of Transport (Mr. Jamieson) say in a speech in St. John's that a plan was being devised whereby extra accommodation would be provided during the peak tourist months when the service was not able to cope with the demand for traffic. He did not elaborate exactly what the government has in mind. Perhaps when this bill comes before the committee we shall have an opportunity to question the minister.

I hope the minister will be present in committee. He has not honoured us with his presence in the House during the second reading debate on this very important bill. We want to know what he has in mind with respect to the Newfoundland ferry service which is the life link between Newfoundland and the mainland of Canada. This service is very important to our province from the point of view of the tourist industry, which is assuming greater importance yearly, as well as from the point of view of providing an adequate service for the shipment of goods on a year round basis.

Although we experience peak tourist traffic during the months of June, July and August, the normal traffic still has to be carried across the gulf at the same time. Often this traffic has had to be turned back because accommodation has not been available. We shall wish to question the minister on this question. In this respect, Sir, we were encouraged because the minister told us that the authorities concerned expect to obtain a replacement for the *Patrick Morris,* a ship which sank in the gulf a few months ago under tragic circumstances. The replacement will have to be brought into service quickly because the tourist season is approaching once more.

May I now say a few words about the m/v *Ambrose Shea.* How many times have we, both in the House and in committee, had to impress upon the CNR the absolute necessity of promoting this service which could be vital to the tourist industry in my province and which could be a vital transportation link in the over-all structure? We have urged the railway and the minister to promote this service by an imaginative advertising campaign as well as by a reduction in rates. They finally got around to doing just that.

We are gratified that patronage of the service has increased substantially to the point where the service is now certainly justified. Nevertheless, we had to endure three frustrating years during which this service was not advertised. It was not promoted and the fares charged were too high. Even now there is still a case to be made for reducing rates on this east coast of Newfoundland service between Argentina and Sydney for truck traffic, because the rates charged discriminate against trucks. The rates obviously are designed to protect the CN monopoly. That, I think, is unfair and the matter deserves to be considered again.

There are other matters that we are concerned about. One of them is the road cruiser service which has replaced rail passenger service. It is not what it should be. Certainly the buses are providing a service. Statistics indicate that many more people are being carried across Newfoundland by Canadian National buses. The fact remains that it is still a hazardous business to cross Newfoundland by bus in winter, as events of the last few days have dramatically illustrated.

That prompts me to ask this question: Why cannot that CN road cruiser service be supplemented with a rail-liner service? Rail-liner service is to be provided in northern Ontario. There is rail-liner service between Sydney and Truro, Nova Scotia. Why cannot the bus service in Newfoundland be supplemented with this type of rail service, utilizing the tracks across Newfoundland and providing a much more reliable service during the winter months? I offer that as a serious suggestion which I think ought to be examined when this bill is before the committee.

The question of freight rates, Mr. Speaker, is a cause of continuing concern. Since the freeze was lifted, freight rates have continued to rise. The continuing rise in freight rates, naturally, has been passed on to the consumer. The consumer in Newfoundland is already burdened with the highest cost of living in the country. In the final analysis it is the consumer who must pay. We are wondering where this will end and when these increases will level off at a point at which we can say, "This is what we have to cope with." We want assurance from the railway, when this bill is before the committee, that they are not contemplating any additional increases in freight rates to the province of Newfoundland.

Then, Mr. Speaker, there is the question of Canadian National hotels. This matter has been raised on a number of occasions in the House. Canadian National hotels are not operating under the minimum wage laws passed by this Parliament. They refuse to recognize the jurisdiction of Parliament with respect to minimum wages. This matter, I understand, is now the subject of a court hearing in one of the provinces of this country. That the minimum wage laws of this country, as defined by Parliament which has jurisdiction in this area and which has set the minimum wage at $1.65, are not recognized by Canadian National hotels is, to me, a cause of great concern. I think this matter ought to be reviewed by the Transport Committee. I know it is a matter of great concern to the Minister of Labour (Mr. Mackasey) who has taken great interest in it.

A serious situation has developed across the country which affects unions involved with the CN hotels system. At this time of year the unions are normally negotiating new contracts. At present they find themselves in the position of saying, "Well, we really cannot sign any contract because we must await the decisions of the court and the federal government in the matter of the minimum wage laws of the country." In my province, Newfoundland, CN operates a hotel. In St. John's, the employees of the CN hotel are receiving less and in some cases, considering the number of hours they have to work, considerably less than the minimum wage of $1.65 an hour that has been established by Parliament. This area of concern I think is most serious.

• (8:40 p.m.)

These hotels are, in effect, owned by the people of Canada and they should be governed by the minimum wage laws of Canada. We shall expect the officials of the railway, when they appear before us in the committee, to tell us why this cannot be done. I understand the Chateau Laurier hotel has recognized the minimum wage and that as a result of the new contract arrangements none of the employees are receiving less than the federal minimum wage of $1.65 an hour.

If this can apply to the Chateau Laurier hotel in Ottawa, why cannot it apply to CN hotels across the country? Rates are very much the same; the traffic is very much the same. In the case of the hotel in Newfoundland, I know for a fact that it is operating at capacity most of the time. I do not know what the situation is at present, but I recall that for a period it was one of the few CN hotels across the country operating in the black. I shall want to hear good arguments on the part of the company in support of its contention that it cannot pay the minimum wage in all its hotels.

Perhaps the officials will tell us that the whole matter is sub judice because it is before the courts. I am not prepared to accept this argument because the matter before the court concerns only one hotel in one province of Canada. I want to know about the situation in all the CN hotels, not only in Alberta where CN is currently contesting the right of the unions to expect the company to honour the minimum wage law.

Before resuming my seat I should like to refer to our national airline. Service is not as it should be. Generally we are proud of Air Canada but there are regions where service has deteriorated. We shall place before the airline evidence which I think will show that there has been in some regions a falling off in service. A contributing factor is the morale of the staff which today is at an all-time low. The ground personnel are insecure; they do not know from one day to the next whether or not their jobs will be there. In my own province of Newfoundland—and I speak from personal contact with these people—they are discouraged and demoralized. There have been lay-offs and there are rumours that there will be additional lay-offs. How can people who have chosen careers for themselves with Air Canada operate efficiently in such an atmosphere and contribute to providing the service for which the airline had a unique reputation? Hon. members will note that I used the past tense—"had".

I do not believe the argument that the reduction in staff stems from a general appraisal of the airline industry throughout North America is a valid one. Air Canada is not an airline like the others. It is publicly-owned; it belongs to the people of Canada. The people have the right to expect the good service they always had from Air Canada, and I believe they have the right to expect the airline to treat its employees fairly and not to hold this cloud of uncertainty over their heads. I have tried to get the Minister of Transport to reassure us in this regard, and we shall endeavour in committee to get some assurance from the airline that they have reached the end of their lay-offs.

One does not have to leave Ottawa to know what is happening. Ground personnel are being moved from Ottawa to Montreal ostensibly to centralize the reservations and ticket service and make it more efficient. I wonder if efficiency is not being used as cover to justify further staff reductions. A number of those employed by Air Canada are not bilingual, just as there are many millions in this country who do not have the advantage of speaking both of Canada's official languages. I am wondering exactly how serious this factor is in influencing the decision to move the reservation and passenger service from Ottawa to Montreal. A definite statement should be forthcoming from the airline making clear what its intentions are and explaining how it proposes to justify this move.

Finally, a case could be made for eliminating some of the costly services. For example, I find it difficult to justify the first-class service provided on domestic lines. I think this is a useless appendage and a waste of money. Most of the airlines flying domestic routes in North America have eliminated first-class service. A case can be made for it on transAtlantic, transPacific or transcontinental routes, but in the case of domestic runs within the country it is ridiculous to maintain two-class service. This is one way in which the airline could reduce operating costs and increase its revenues.

I say once again that it is a frustrating experience to have to go through this exercise once a year. As Members of Parliament in the discharge of our responsibility we are bound to voice our concern, make our recommendations and offer our criticisms of the airline and of the railway in the process of examining this financial bill. After all, this is what we are here for and this is where it should be done, while we are in the process of voting funds for the operation of these two important Crown corporations.

It is a matter of regret that neither the Minister of Transport nor his parliamentary secretary are here. They should be here. They should listen to the observations which Members of Parliament have to make in the course of this debate. They should themselves take part in the debate, examine the observations which have been made and where possible make announcements of the government's intentions with respect to these important matters.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, every year we are faced with the problem of bailing the national railway out with this finance bill. It is funny that no one has suggested that the debate be curtailed just to financial matters.

An hon. Member: Don't give them ideas.

Mr. Peters: Changes have been made which are advantageous. I do not wish to discuss those changes except to say they are long overdue. We are all pleased that there has been a change in the pension plan. One of my hon. friends asked why the government had waited so long. He has been here only a year or so, but my hon. friend from Winnipeg North Centre (Mr. Knowles), who has been here forever, says this is a matter he has been raising here forever. So the wheels grind very slowly

where the CNR are concerned. They could probably look to us in the same way because their financing has been long delayed.

• (8:50 p.m.)

The cost of operating Canadian National Railways has always been influenced by its freight and transportation structure. I recall that last year Parliament financed the payment of interest of $40 million due on the original purchase price of the railway. Although Canadian National Railways can legitimately look to Parliament to do something about getting its house in order, I suggest that the money that has been paid CN should be transferred to the national debt account rather than remaining a liability in the financial structure of the railway.

I am sure that as Your Honour listens to the speeches made by many members you ask yourself why we are paying $40 million in interest. A few weeks ago all the members from northern Ontario stood up in the House and asked the Minister of Transport (Mr. Jamieson) to give consideration to hearing representations from people in the communities of northern Ontario whose rail service was going to be curtailed. The minister said that this was a good idea and that he would consider the matter; but a couple of days later he had to come back to the House and tell us that he was sorry, it could not be done because he really did not have authority to do it. Nevertheless, he said, he had been assured by the CTC that they would consider the matter.

Since we are paying this kind of money, Mr. Speaker, is it not time that we had control of this transportation facility? I have said many times that really we do not own it, it is not nationalized. We are now debating the debt structure of CN, a matter that the government has reluctantly but finally decided to examine. If the government does not, then I am sure the bill will not pass Parliament; that one day Canadian National will be left with the burden of a $40 million debt, they will not be able to operate their lousy railway and Canadians may find they can get along without it—which is what people in many areas are doing now.

Since I have been a Member of Parliament I have travelled from North Bay to Ottawa on trains Nos. 7 and 8 which were recently withdrawn. These trains came into northern Ontario with a sleeper and went as far as Swastika, where they picked up passengers from Noranda and northern Quebec. Then they serviced the Timmins area, Cochrane and Hearst. At that point they picked up a sleeper of Ontario Northland and then went on to Montreal.

These trains 7 and 8 offered good accommodation and were well patronized. But then CN began charging Ontario Northland too much money to haul its sleeper and the railway considered that it was not worth while. Whatever the reason, they decided the proposition was too expensive. As a result you had to sit up travelling across northern Quebec and northern Ontario until you got to North Bay. You arrived there at around one or two in the morning, depending on weather, and then you could board the sleeper which would get you to Ottawa about seven o'clock in the morning, in time for you to shave and even have breakfast.

I remember when there were meals available on the train. Then they only offered lunches and finally there were no meals available and no beds. They almost got to the point of having no seats. The train consisted of coaches that came out of the ark. I remember saying at the time that the train would soon be withdrawn because it would not pay. The train had nothing to offer; there was no accommodation to sell.

Many of the communities of northern Ontario were built along the railway and depend upon it for their very existence. The Minister of Tourism and Information of the province of Ontario, hon. James Auld, had this to say in regard to the dropping of these two trains:

> In our northwestern Ontario administrative district there are a total of 56 establishments located along the line. Six of these are primarily dependent on CNR rail service.
>
> In northeastern Ontario, there are 208 establishments along the line. Eighteen of these are heavily dependent on rail service.
>
> If the rail service is reduced or discontinued, the majority of these 24 establishments which depend on the trains for transportation of guests and supplies will find it very difficult to survive.
>
> Some of the establishments which are adjacent to the line but are less dependent on the rail services may also find their businesses damaged. These tourist camps are more fortunate in that they have other means of access with most of their clientele arriving by road or air.
>
> My field staff has also noted that cottagers and tourists use these rail services for transportation to and from Parry Sound and Toronto.
>
> The department is making the strongest recommendation that the CNR must recognize and fulfil its responsibilities to the tourist establishments and communities along the rail line.

I suggest that will get the minister nowhere, Mr. Speaker. If rail service is gradually withdrawn, then the number of passengers using the service will decrease by about the same percentage. It is Parkinson's law in reverse. I presume that if you do not offer the accommodation you will not get the passengers. Certainly that is true of transportation. I suggest there are very few people who do a lot of travelling who would not think twice about travelling by train if the accommodation were adequate and they were able to reach their destination at a reasonable hour. They would prefer this to travelling by automobile or aircraft.

This afternoon one hon. member told the House about getting on a train to go to Montreal and not being told that the line had been closed as a result of an accident further up the line. What does the railway care what the passengers think? The railway get their money just the same—provided the passengers do not walk, of course. If they do decide to walk and have paid for their ticket, then there is no station at which they can reclaim their money anyway. The railways could not care less. But surely some Members of Parliament care. They know that rail transportation can be provided in many areas much more economically than building additional highways.

In northern Ontario the roads are crowded with transports towing a trailer, and in some cases two trailers,

loaded with lumber. It would be much easier to load this lumber into freight cars and dispatch it by rail. The other day I was talking to a buyer from Boston and he told me that he thought lumber supplies would be scarce in about a year's time. As a result, he was going out to British Columbia and also visiting northern Quebec and Ontario in order to cement his business relationships. He had his wife with him and was touring around. During our discussion he told me he never considered rail as a method of transporting lumber unless it had to travel a long way—for example, from British Columbia. But he would not think of sending it by rail from northern Quebec. I think the railways should reflect on the fact that here is a buyer of lumber, a broker who orders hundreds of thousands of carloads of lumber but does not consider shipping it from northern Quebec by rail.

• (9:00 p.m.)

I suggest that the rail transportation system has got into disrepute because of the way the companies treat the people. They treat them in the same way they treat freight. Recently a number of members from northern Ontario were asked to meet officials of Canadian National Railways. I attended the meeting. Those officials told us that everything was going to be all right and that the problems were going to be solved. We were informed that a service centre was to be established at Barrie. They did not tell us that as a result of the establishment of this service centre nine people employed at Capreol were going to be out of jobs.

We were informed that the CNR intended to establish a computer centre in order that reservations could be made through the computer system. We were not told about the lay-off of the nine people in that community, which cannot afford lay-offs because it depends upon the CNR for its economy. Anyone who has attempted to make travel arrangements through a computer system knows that such a system is not as good as it is made out to be. In spite of that fact, the CNR intends to remove these nine people from its service in the area. I suggest that if those nine people spoke French, they would not be removed; they would be given a grant in order that they might stay there.

Some hon. Members: Oh, oh!

Mr. Peters: Hon. members may laugh, but I can tell them that in my area there is a small cafe which has received a government grant of $2,500 on the basis that its employees speak only French. I suspect that if those nine individuals spoke only French they would be given a grant to keep them in Capreol.

Not only should this House be considering the finances of the CNR but it should be considering nationalizing Canadian Pacific Railway. It is my opinion that these two railway companies cannot supply two separate passenger services across this country. I suggest they will be very hard pressed to provide passenger service on the basis of one operation. Let me refer to a letter from Alan Lawrence in which he suggests that the Ontario Northland Railway take over passenger service in Ontario. I suggest this as an alternative. It may be a good one. I realize that this is a little beyond your area, Mr. Speaker, but the Go train is a government train which moves out as far as Pickering, and I expect it will move to the Kingston area and eventually connect up with Montreal. It will be a streetcar type of operation.

I suggest that the service which is being provided on both sides of Toronto is very effective, and it is not being provided by the CNR but by the Ontario government. For years we have been trying to buy one of the Canadian National lines but they have been asking an exorbitant price. This is little like the story of the dog in the manger. The CNR does not want to operate it itself, and it does not want anybody else to operate it for fear someone else might make it a success.

A man in Toronto can charter a train to North Bay. He can make enough money on sales in that area that he can pay for the cost of that service and make a contribution to a charitable organization. If Canadian National and Canadian Pacific do not want to operate a passenger service, let the officials come before a parliamentary committee and say so. In that way we can find an alternative. Let us find such an alternative before we have no passengers.

Had it not been for the centennial year service many of our young people may never have known what train service is all about. Many of these young people travelled on the trains on which customary accommodation was made available. Those trains operated satisfactorily, and I believe there is still a sufficient number of travelling public to make such service effective and efficient. We set up the Canadian Transportation Commission to perform this service, but it has failed. That commission has been seduced by the officials of Canadian Pacific and Canadian National and we are paying for that seduction.

I am sure many members of this House represent communities which are dependent on rail service. Surely they have suggestions to improve efficiency. If the CPR and the CNR do not want to operate passenger services, let us set up a transportation facility that will operate those services. We will not expropriate their lines; we will damn well run over them and they will maintain them. I am sure they will maintain them in a condition safe for freight transportation. In that event we can run passenger trains over them without derailment, because passenger trains do not carry the same weight. Let us set up the passenger service. I am sure it could be operated efficiently.

What I have said about the CNR and the CPR applies equally to air transportation in this country. The computer system works very well for Air Canada, but if I want to be sure of a reservation—I admit this is pretty stupid—I get in touch with the small airport at Earlton, Ontario, where two men handle the whole operation. They used to have a little box in which they dropped a card to confirm my reservation on a flight. I think that system has been removed in the last few months because Air Canada has gone honky-tonk in this area. Even if I get in touch with the special people in Parliament who look after air travel reservations, I often find myself on a flight where two extra passengers are booked. The powers that be in this case offer a free meal to anybody

who will get off and wait for the next flight. This is the type of service we get from the computer system and this is one reason for the trouble in which airlines find themselves today.

Many airports in Canada can accommodate small aircraft of the type Air Canada will apparently be operating in five years. These airports should be servicing air transportation to many communities. Obviously they cannot accommodate the stretched DC-8 jet. We should have better air service. If we are to improve the service we should not start by subsidizing the kind of service now in existence. Let us bring all the airlines in Canada under one agency to provide the best service possible. We have only 21 million people in this country, yet we probably have more internal flight routes than any other country with the exception of Russia. We cannot carry on the type of air service the people of Canada demand, with the proliferation of airlines that we have. We should not have an increasing number of regional routes.

Having in mind this entire transportation problem, we must look at the over-all picture. There is no more logical time to look at transportation in Canada than now, when we are discussing the finances of Canadian National Railways. Last year every Canadian paid $2 in subsidy to this system. Most of these Canadians could not go down to the station and buy a ticket on a train because a train did not run through the local station. The government can play around, as it obviously does, but it will eventually have to face up to the need for efficient transportation in this country. Perhaps it will not face up to this problem on an over-all basis, but I am sure the people will not wait much longer before raising a great fuss. They will not wait until trains Nos. 7 and 8 are taken off, and they will not wait until the transcontinental passenger service is done away with before making a fuss about the system.

I think we should sit down and design a new transportation facility for the rural areas which will meet the conditions of the 1970s. Hopefully, we will be smart enough to develop the kind of transportation policy which is required to meet the needs of the 1980s. I suggest that rail travel in Canada will be required for years. Air transportation will become more important as the years go by, but we will find that as air transportation increases there will be a resurgence of need for ground transportation. This will represent an economic means of transportation to the major centres of population.

• (9:10 p.m.)

We will need that kind of transportation and we in parliament are not doing anything about it. We are letting the CNR make small deals and arrangements where they say, "Never mind the nine people. We will be working toward efficiency. We will drop these people or move them to a major centre and thus provide a better service". If I am being billed for freight that I have received, I as a consumer am not really interested whether my account comes from Capreol or from Toronto, and I am not really interested whether I get it this week, next week or even next month. I think that CN economists are not producing anything for the Canadian people and they are certainly not reducing the size of the debt that we are discussing.

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, the CNR and Air Canada are asking Parliament to approve, according to my calculations, some $500 million to take care of the service that they intend to offer to the Canadian nation in the next year or so. I find it difficult to think nationally, for two reasons. The first is that Newfoundland has only been part of the Canadian nation for 21 years, and the second is that we have so many problems in Newfoundland that they tend to occupy our full time. So I will speak very briefly on the CNR and Air Canada as their services relate to Newfoundland.

My opinion of how these services treat Canada's newest province is already on the record. I spoke in the same debate last year and the year before, when the whole matter was regarded pretty unanimously as a joke. But I think the message is getting through to many of our colleagues, including many of our Liberal colleagues who at that time did not regard the matter too seriously, that these Crown corporations are using us as guinea pigs and that now the sore is festering all across Canada. As I said, I am on record in the House as well as at the meetings of the Committee on Transport and Communications and in the files of the Minister of Transport (Mr. Jamieson).

In Newfoundland today, as everybody is aware, there is no rail passenger service. But we have a bus service which in no way fills the need for public transportation. The bus service is not safe—this has been proven; it is not comfortable—which anybody who has driven any distance can attest to; and it is certainly not dependable—which can be affirmed by many people who set out on Wednesday and did not get to their destination on Friday and maybe not even then.

After a couple of years of operation, this service does not even offer the amenity of a drink of cold water during the course of a 550-mile journey. I would not like to be accused of making puns or playing on words, but I do not think it would be unfair for me to say that the evidence is piling up that this service is not suited to the travel needs of Newfoundlanders, at least during the winter months. To substantiate my point that the evidence is piling up, I have here a press story of April, 1969, with a picture which shows the Expedo, the cream of the crop of the CN bus transportation service in Newfoundland, lying on its side, almost over on its back, over a six-foot embankment. That happened within a month or so of the commencement of the bus service. The driver cannot be blamed. The story says:

> A spokesman for the RCMP said the bus apparently met another vehicle while rounding a turn in the highway and in swerving to miss the other vehicle slipped off the road and overturned down a six-foot embankment. It was snowing at the time.

There is lots of snow in Newfoundland and there are lots of curves and embankments. However, this is not the only example and it makes me fear for the safety of the many Newfoundlanders who are using this

service. This service has only been in operation for two years at the most. Another press items reads:

Extensive damage was caused to a Canadian National bus early Tuesday when it skidded off the Trans-Canada highway near Notre Dame junction. The driver and five male passengers were uninjured.

It becomes all too evident as we go along that the CN is operating and has operated this service in Newfoundland since its inception on pure, sheer, absolute luck—and thank God for their luck. There was an interesting little editorial in the *Daily News* following the last accident. It is headed "The Bus that Overturned" and reads:

It is both natural as well as inevitable that any accident to a Canadian National bus must cause some comment and anxiety. This is particularly true among those who are far from convinced that the substitution of buses for passenger trains meets all the conditions for safety that is desirable in public transport, particularly under winter conditions.

There were only the driver and five adult male passengers on the bus that overturned near Notre Dame junction and all came out unscathed. But it might have been another matter if the bus had been fully occupied.

Statistics indicate that buses have become a popular means of travel and, to the extent that valid comparisons are possible, have been carrying twice as many passengers as the passenger trains in an equivalent period. They are faster and operate on more convenient time schedules.

But public safety is the primary consideration and road conditions at certain times are far from adequate. When an accident occurs, an inquiry should be held immediately to determine causes. At the same time the transport authorities ought to have a good hard look at the means by which recurrences of this kind of mishap can be prevented.

Apparently that editorial did not do much good, because despite many requests from me and my colleagues to the minister to have these bus accidents investigated, I think I am safe in saying that I have not received a report although they were always promised. I was told, "We will look into this and that immediately". I have heard my colleagues ask the same question but I doubt that they have received any answers. I do not have a file of all the accidents. These are just some I happened to pick up. This is a headline from the *Western Star* of April 4, 1970, "Storm Hits West Coast; Buses, Truck off Road." In part the article reads:

• (9:20 p.m.)

Two CN buses—515 westward and 502 eastbound—were blown off ice-coated roads between Port aux Basques and Tompkins early Friday, but a company spokesman said no one was injured. Three other buses made it through without damage despite winds of 80 miles an hour, gusting to 100, that lashed the stretch of road leading to Port aux Basques.

Passengers from the ditched buses were transferred to other vehicles, and one of the buses eventually got back on the road. The other, however, was still in the ditch late Friday afternoon.

Two transfer trucks and a number of automobiles were reported also off the road because of the high winds.

It is not the fault of the drivers; it is not the fault of the buses; it is the fault of the CN that would inflict this sort of service on the Newfoundland people.

A CN spokesman said that no thought had been given to cancelling services but added that late night buses would not pass over the dangerous stretch unless winds had subsided.

Canadian National Railways

Bully for the CN! Here is another clipping from just before Christmas. The headline reads "Two CN Buses Involved in Separate Accidents." The story appeared in the St. John's *Evening Telegram* of December 21, and reads in part:

Two Canadian National road-cruisers received only slight damage during the weekend in separate traffic accidents.

There were no injuries and both buses are back in service.

A CN spokesman said an eastbound bus was blown partially off the road Friday morning on the Trans-Canada Highway at Wreckhouse, about 20 miles east of Port aux Basques. The 80 miles per hour winds blew the front end of the bus into a ditch but the rear of the bus stayed on the road.

The second accident occurred Saturday evening near Rushy Pond, just west of Grand Falls.

The spokeman said the driver of the bus was forced to strike two cars, parked on the side of the Trans-Canada Highway. He said the two cars which had a snowmobile between them were parked on the side and the driver was unable to swing out around them because of oncoming traffic.

By sheer luck, some of our Newfoundland people were not injured or killed. One of the most recent accidents concerned a bus carrying 28 passengers. I referred this story to the Minister of Transport and hon. members thought I was joking. On December 3 a bus with 28 passengers ran over an embankment. Any hon. member who wants to see a photograph of what occurred can come to me and I will show him one. Luckily, there were a few birch trees there, and the photograph shows this bus suspended over the majestic Exploits River in Newfoundland. Just a few flimsy birch trees saved it from falling into the river. I repeat, Mr. Speaker, this is not a joke. In answer to my question the minister said that he once had been held up in a train for three or four days. I asked him if he had ever been held suspended over the Exploits River in a train. Those 28 people had a miraculous escape.

Many of these incidents are never reported in the press. I know of some from my own personal knowledge. I was at the CN bus station at Grand Falls not too long ago when a driver came in from the west coast with a bus full of passengers. I do not blame the driver, but he was terrified. The Trans-Canada Highway is very narrow, especially in wintertime, and he had just lost a mirror from the side of the bus. He was driving at 60 miles an hour when a big transport truck whizzed by at 70 miles an hour and cleared the mirror clean off the side of the bus. The truck didn't stop. The driver was terrified. A matter of a few more inches and there could have been disaster. Mr Speaker, anyone who makes light of this account that I am giving should make himself known in this chamber.

The Minister of Transport, our so-called Newfoundland representative in the cabinet, just a couple of weeks ago treated very cavalierly the last incident which was brought to his attention. A CN bus had been lost for some 12 hours in a Newfoundland snowstorm. The passengers had no water aboard, no food, no chance to sleep and no communication with the outside world. The story had it, although it is not included in the press report, that another bus went next morning to look for it and it, too, became lost for three or four hours.

I do not look forward within the next month or few months to being in the position where I stand in this House, point my finger across at the Minister of Transport and say, "I told you so." But I very much fear that if this bus service is continued during the winter months regardless of weather conditions, we in Newfoundland will be faced with a tragedy and somebody will have to answer to the Newfoundland people, bearing in mind that during 70 years of operation by the Newfoundland Railway, and later Canadian National, they never lost a passenger. So far the bus service has not lost a passenger, but this is by sheer, absolute luck.

When we raise our voices about this matter to our own Newfoundland minister he accuses us of being antiquated. I forget his exact reference, but he said we were back in the days of Noah and very glibly and blandly referred to the ark. He said we were advocating the retention of an antiquated train service. We were not supporting the retention of an antiquated train service; we were suggesting that the service be upgraded. The minister told us that we were out of step with progress. The photographs and the news stories I have here—is that the progress we are supposed to accept? If this is progress, then somebody has his wires crossed and I suggest it is the minister. We do not have any objection to a bus service. Of course we want a bus service. But when it is the only means of public transportation for a 550-mile journey across our province, we say that although it may do a fine job in the summer, during winter it is extremely perilous, and if continued will end in tragedy.

Just a few days ago on January 29 we received a report from the Canadian Transport Commission. This one is signed by Mr. Pickersgill himself, Jolly Jack. He did not sign a similar order agreeing to the discontinuance of our passenger service, but he did sign this one. It concerned an application from Canadian Pacific to discontinue "The Canadian". In the report appears this line "...that this historic service could not be abruptly discontinued." They turned down this application, Mr. Speaker. "The Canadian" is a historic train. They said they could not think of its being discontinued summarily or abruptly; that would not be good enough. I ask, what about the historic trains in Newfoundland that served the people so well? Canadian National have provided a bus service that will kill half the people of Newfoundland if they ever use it. That proposal is just nonsense.

• (9:30 p.m.)

Since the bus system was instituted it has become apparent that Canadian National have allowed railbeds to deteriorate in Newfoundland. That is pretty well recognized. I cannot quote all the instances of derailment of freight trains during the last year or so. Recently I personally have seen more freight cars and the merchandise they contain strewn over the Newfoundland countryside than I have ever seen in my life. It seems that the attitude has been something like this: Well, passengers are not using the service anymore; we need only worry about five, six or seven trainmen or enginemen.

[Mr. Peddle.]

There does not seem to be very much regard for their lives. I have clippings before me from last year's newspapers. One says that four 175-ton CN diesels were derailed two miles east of Deer Lake. Another asks, "Is this a parking lot?" It says that four tank cars were strewn across the railway tracks and that 300 feet of rail were torn up. Another says there was a large derailment near Corner Brook. The local St. John's newspaper has taken the cry up in an editorial. Since the editorial sums up what ought to be said, I shall read it in its entirety:

> Last week the CNR had a bad derailment near Deer Lake with 11 cars, including four diesels, going off the tracks. As things go at the railway, this was not an unusual item of news, for derailments are fairly common with the CNR in Newfoundland. What was different about this accident was that it came so soon after the change in the method of maintaining the tracks.
>
> In January, the railway announced that it was laying off 67 sectionmen in favor of a new mechanical system of doing their work. The sectionmen were employed on the old method of a detailed and constant survey of the track, using speeders to cover the part of the track assigned to them. The men were available at all hours of the night and day and during or after a storm they would be out on the line making sure that everything was in order for the trains coming through.
>
> In many ways the sectionmen were the unsung heroes of the railway, for with them lay the responsibility of keeping the track up to safe standards, regardless of weather or time. But now the railway has turned to a new system which puts track maintenance on a more centralized, directed process, using special closed and comfortable maintenance cars to move the work gang to the areas needing repairs.
>
> This may be in keeping with modern technology but as far as things like track maintenance are concerned, it is hard to beat the devotion and individual attention of the totally involved workers such as the sectionmen were reputed to be.
>
> The run-off near Deer Lake will probably cost the CNR over $250,000 in parts, repair work and time lost by the diesels, an amount which would have paid a lot of work hours for the sectionmen. It will also help to reinforce mainland opinion that it is not economically possible to run a railway in this province. And that kind of thinking may lead to the abandonment of the entire system.
>
> The CNR is a Crown corporation and gets a lot of its money from the public purse. In accidents of this kind the enquiry should be public. The railway may not always be as lucky with its accidents; another accident of this kind may lead to the deaths of the engine gang. That is why it is essential that the public have the full assurance that everything is being done to maintain the tracks in a safe condition. A public enquiry into accidents is one way to see that this is being done.

It is useless asking for a public inquiry. We have asked for it and have been told, "Yes, it is coming." My colleague for St. John's East (Mr. McGrath) has already referred to the ferry service betwen North Sydney and Port aux Basques and I see no purpose in repeating what he said so well. I should, however, like to mention the CN coastal service which serves the Labrador coast and parts of my riding. Just before Christmas a CN coastal vessel loaded with 300 tons of supplies for the Goose Bay area became blocked in ice that was not anticipated, and had to return without delivering the merchancise.

I maintained then, and I still maintain, that although Canadian National might not have been under a legal obligation to deliver the goods, it ought to have assumed its moral obligation in the same way Air Canada accepts

its obligation to deliver its passengers. Sometimes you may leave the aircraft and spend a night in a hotel at the expense of Air Canada. You may end up on a bus or on a train but you will arrive at your destination. They will get you there. I think Canadian National was obligated in this regard to deliver merchandise that had been accepted in good faith from shippers, that had been shipped in good faith and that had been ordered by the consignees in good faith. That moral obligation to deliver was completely ignored. Now, just because it happens to be election year in Newfoundland, the government in Newfoundland has decided that it will take on the obligation of delivering such merchandise and it will deliver it, if you like, via Air Canada; they will use Air Canada. The Newfoundland will pay that airline to fulfil the obligation which had rested on Canadian National.

I can only say that I will not say anything about Air Canada at this time. May I add my voice to those who are urging the Minister of Transport to start making decisions and to come up with his regional air policy. Let him enunciate the policy that he is always referring to, so that we shall know where we are going and by what means. I cannot urge the minister too strongly at this point, especially since he has talked about this policy so long, to make his decision and bring forward his policy. Let us have it.

If it were not a gesture—and I have no desire to delay the House—I would move an amendment. I will not do that. Nevertheless, the amendment that I would have moved if my moving of it were not a gesture, would be that the amount requested by CNR and Air Canada be reduced to $1—if I had my way it would be even less—and not increased until such time as CNR and Air Canada decide to live up to their responsibilities in Canada's newest province.

• (9:40 p.m.)

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I would be remiss in my duty if I were to allow this debate to end without making a few comments on the operations of the CN in my province and specifically in my riding. My riding of St. John's West is very much concerned about the operations of the CN; a large number of people in the area depend on employment with the company to make a living. Of course, the story of the great train robbery in Newfoundland in 1969 has been told many times in this House. Indeed, tonight my hon. friend from Grand Falls-White Bay-Labrador (Mr. Peddle) spoke at length concerning the system with which we now have to contend in Newfoundland, that is, a bus passenger service inaugurated by Canadian National to replace the traditional passenger service which we enjoyed in the province for so long.

Certain aspects of the story of the abandonment of rail passenger service in Newfoundland bear repeating. Most hon. members, I am sure, will recall that during the debate on the railway financing bill in 1969 members on this side of the House urged the government and the CTC to reconsider the abandonment of rail passenger service in Newfoundland. My hon. friends and I, supported by the vast majority of our fellow Newfoundlanders, objected very strongly to the proposed bus service on the grounds that neither the terrain nor the climatic conditions of the province would lend themselves to such a service. Today, with just two winters behind us, we find that our fears were justified. My hon. friend from Grand Falls-White Bay-Labrador pointed out that there have been several accidents, several near-tragedies. On one occasion a bus disappeared with all its passengers for some 12 hours.

When the debates took place concerning the abandonment of our rail service we were the butt of jokes by hon. members opposite who were amused by our antics, as they called them, in our efforts to retain that which was our own.

An hon. Member: Even the Minister of Transport.

Mr. Carter: Even the Minister of Transport (Mr. Jamieson). We now find they are laughing on the other side of their faces because hardly a day passes when we do not hear complaints from them about the proposed abandonment of rail passenger services in their own provinces. This is extremely serious. We in Newfoundland were the guinea pigs in a plan by the CN to abolish its rail passenger service.

I endorse the comments of my hon. friend from St. John's East (Mr. McGrath) when he referred to the efforts of the CN to downgrade the coastal boat service in Newfoundland. It is obvious to even the smallest child in Newfoundland that Canadian National is deliberately downgrading this service and discouraging patronage with a view to eliminating the service. I would not be at all surprised to learn that this is their intention also with regard to the hotel service in St. John's. I should like the minister to give us an assurance in the committee that it is not intended to downgrade the hotel service in Newfoundland or to downgrade the coastal boat service. I want him to assure us that the company will make every effort to improve these services, thereby assuring their success.

I should like to refer now to the CN dock facilities in St. John's. This dock is a major contributor to the economy of my riding; indeed, it is a major contributor to the economy of Newfoundland generally. But I feel that the full potential of this dock and the full potential of St. John's as the so-called service station of the Atlantic is not being realized because of inadequate facilities at the dock. We have tradesmen working at the dock who are second to none in Canada, men of long service and training who can take their place alongside any in the country. But they are handicapped because of the antiquated system employed and the indifference shown by the CN in the docking facilities.

I have been told by officials that almost weekly a large volume of business is turned away from the facility, enough to give full employment to all the people working there plus a large number of others who could be engaged. I urge the Minister of Transport, and Canadian National, to realize the full potential of the St. John's

harbour and take advantage of the strategic position we have as the service station of the Atlantic, so as to maintain full employment there all the year round and, indeed, to increase employment thereby improving the economic position of the area as a whole.

I am not satisfied with what is happening in my province with regard to Canadian National; I am not satisfied with what is happening in Canada. I get the impression that the only role a member of Parliament has to play with regard to Canadian National is as a rubber stamp when they come to this House asking for financial assistance. But when it comes to representations for a better service or for a service to be maintained, our pleas fall on deaf ears. I do not enjoy being a rubber stamp. I think the railway company has a responsibility to pay more attention to our pleas in this House. When we make a legitimate complaint or a considered suggestion, I believe it is incumbent on the company to study that complaint or suggestion and, if possible, to implement it.

Some hon. Members: Hear, hear!

• (9:50 p.m.)

Mr. Carter: I am not too happy with the method Canadian National is using in the city of St. John's to dispose of damaged goods arriving at the terminal. I am sure I echo the views of a large number of people, especially CN employees, when I say that a new system should be devised instead of the present monopolistic method of disposal. These goods in the course of a year amount to a very considerable sum and should be disposed of in a more equitable way than at present.

In closing, I strongly suggest that the minister appear before the committee where we shall have a lot of question to ask him. As my colleague from St. John's East has already said, we shall be asking him questions in relation to Hotel Newfoundland, CN coastal services in the province, their bus passenger service and other aspects of their operations in our province, indeed in all of Canada.

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, I rise to take part briefly in this debate. I shall keep my eye on the clock and I assure the government House leader that I will leave time for the second reading that he is so anxious this bill should receive. Bill C-186 provides financial assistance for the operations of CNR. One of the operations that will be financed is the servocentre program and I rise to speak about this since it vitally affects parts of the area I represent. A new servocentre is to be established in the city of Brantford and will serve my area. When this centre is completely in operation, all the present station facilities at Courtland, Delhi, Simcoe, Jarvis, Cayuga, Hagersville and Caledonia will be discontinued, with consequent loss of employment.

The first concern I have is for the quality of service that will be available to municipalities formerly served by these stations. Much has been said this evening about computers. The servocentre is to be a streamlined service, much of the work being done by computers. A few nights ago one member of the House spoke about results produced by computers, which were pretty well summed up in the phrase "Gigi", which means "Garbage in-garbage out". In view of the results produced by the computer of the Unemployment Insurance Commission, I am sure we would all agree that a great deal of garbage comes out. Members on both sides of the House are continually trying to unravel the mistakes made by this computer. I have the same reservations about a computer that will allocate railway cars and answer questions asked by people using railway facilities in the area about which I have just spoken.

Station masters, station agents and assistants will no longer be employed and thus passengers will be robbed of the personal touch. After all, who can better solve passengers' problems than the man on the job who is familiar with local situations? Now these problems will be solved by a clerk sitting in an office in Brantford, 25 to 30 miles away, and one can imagine the snafu that will result when he tries to locate a railway car that should have been let off at the town of Delhi but ends up at Caledonia, 40 miles away. We can all see the shipper concerned biting his nails, wanting to get the car loaded and his product on its way.

The other cause for concern is the fate of the men who will be displaced by this new program. We want to know what is going to happen to the railway station agents. Will they, as I asked the Minister of Transport (Mr. Jamieson) a few days ago during the question period, retain their seniority, their pension privileges and so on? I suppose the answer will be yes, that work will be found for them somewhere. But let us remember that they have established homes in the municipalities they now serve. These men are going to be asked to drive up to 40 miles to sit at a desk if they want to retain their employment with CN. These are the two problems I see arising from the servocentre program: first, the quality of service to the community; second, the effect of the program on present employees.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, my colleague from Timiskaming (Mr. Peters) said to me that if I can convince the House, and particularly the chairman of the Canadian Transport Commission, that rail transportation is still a realistic and basic ingredient of the transportation system of this country, I should run for the leadership of my party.

Some hon. Members: Hear, hear!

Mr. Skoberg: As long as the present incumbent is chairman of the commission, I realize that this would be impossible. With that I take my seat.

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

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

Motion agreed to, bill read the second time and referred to the Standing Committee on Transport and Communications.

BUSINESS OF THE HOUSE

Mr. Bell: Mr. Speaker, could we have the business for tomorrow from the government House leader?

Mr. MacEachen: Mr. Speaker, I should like to call the government organization bill. After consultation with House leaders tomorrow it may be possible to make arrangements to complete the export development bill. In any event, we will call the government organization bill tomorrow.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

SPORTS—1976 OLYMPIC GAMES—CANADIAN POSITION ON PRINCIPLE OF NO RACIAL DISCRIMINATION

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, on January 20 I asked the Minister of National Health and Welfare (Mr. Munro) the following question:

Considering the firm decision of the International Olympics Committee to adhere rigidly to the principle that there shall not be racial discrimination in sports, can the minister give some indication to the House of the position to be taken by the government on that principle so far as the 1976 Olympic games are concerned?

I suggest it is very necessary that Canada make its position on racist and apartheid policies very clear to the rest of the world, and with that thought in mind I posed the question to the minister. I feel confident that human rights are being violated in many countries. Although we are quite aware of this, it is only in South Africa that these policies are sought to be justified on racial grounds. Canada's disengagement from South Africa should be positively encouraged at all levels by whatever means is open to us as Canadians.

I am sure that the people of the world who are dedicated to upholding the declaration of human rights would like to know what is our position, and I feel we should make our position quite open and clear. Every means should be utilized to make known our convictions against racism and apartheid. One way of doing this is by inconveniencing and embarrassing the white regimes of countries that practise apartheid and racism until they realize that somewhere along the line they must change their policies. We must make our position abundantly clear in so far as racism and colonialism are concerned. One way Canada can do this is to insist rigidly on the principle of non-racial sport.

• (10:00 p.m.)

We have the decision of the International Olympics Committee regarding South Africa, which no doubt will leave Canada in the position of only having to reaffirm this decision. I would suggest that a pronouncement be made by our government stating categorically that we will adhere rigidly to the principle that there will be no racial discrimination at the 1976 Olympic games in Montreal. If this is not possible, I suggest that no federal money should be made available to the 1976 winter games in Quebec. In this way we will be in a much better position in respect of nations of the world. I believe that the Minister of National Health and Welfare will agree to a firm acceptance of this basic condition of non-racism. It will be of interest to all freedom loving Canadians dedicated to the eradication of apartheid, discrimination and racism to refer to the answer this House will, hopefully, hear from the minister tonight.

A news article suggests that the business hangman in the world is in Pretoria, South Africa. I suggest we should make sure that those responsible for these racial injustices do not have the opportunity of joining our 1976 Olympic games. I will be most interested in hearing the response tonight and I am sure all of us are waiting for a reaffirmation of policy in respect of non-racial sports in this country.

[*Translation*]

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, as the House knows, the federal government rejects all forms of racial discrimination.

With regard to the summer Olympic Games to be held in Montreal in 1976, the federal government believes that such Games are a very important means of bringing together peoples and nations. By asking for and obtaining the 1976 summer Olympic Games, Montreal has tacitly accepted to obey the rules of the International Olympic Games Committee, that is not to tolerate any racial discrimination.

For this reason, the federal government sees in the 1976 Olympic Games in Montreal an occasion for all Canadians to show that they have no prejudices for reasons of race, colour or religion.

Let us hope that this answer, Mr. Speaker, will sink into the minds of all Canadians, including the hon. member for Moose Jaw.

[*English*]

FINANCE—PROCEDURE FOR PRESENTATION OF TAX REFORM LEGISLATION

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, what I like about this "late show" is the sense of expectancy that falls on all members of the House of Commons and those people who have rushed in from this, that and the other thing, including the full attendance, I am sure, of the National Centre for the Performing Arts, all of whom have come from hither, thither, to and fro to see if they can find out anything at this late hour. On occasion I have felt that perhaps the question I had in mind should have been asked and answered during the question period. However, I thought I should not put it at that time but should wait for a couple of hours until the country was really agog and alive.

I find myself here at this hour with a rather simple request of the Minister of Finance (Mr. Benson). I realize he has more important things on his mind than a simple

answer to the question which I ask in order to satisfy my own curiosity. As a matter of fact, I do not even see him here tonight. His parliamentary secretary is in attendance in a fresh, pink shirt—

An hon. Member: It is red.

Mr. McCleave: He is here in a fresh, red shirt, and since this is a good colour I am emboldened to press on with the question that brought me here this evening. Earlier in the day, during the question period, I asked the Minister of Finance whether he intended to proceed with tax reform on the basis of a budget or on the basis of a separate bill. He was able to pick his way through that question like nobody's business, because really I should not have asked it in that form. I should have asked a longer and much more complicated question. Anyway, I will give him the benefit of his answer which was that if it is carried out in a budget, it will involve a separate bill anyway. This is quite true. But, Sir, I wanted to ask a brief question without bringing everybody back tonight. I did not want this huge crowd around me tonight. All I was asking was how he was going to do it.

The country is also asking the question, the group that has been floating full-page advertisements in the newspapers of this country. They have been asking how the Minister of Finance will proceed with his tax reform. Will he have the same crowd—I think that is the expression—that wrote the original white paper? Is that crowd going to be doing it again, will it be another crowd or will the Minister of Finance descend from the heights of Olympus to do it? All I was trying to find out was how and when it will all happen. Perhaps it is unreasonable to ask such deep and fundamental questions at this hour, but this was what I was trying to discover earlier in the day, and nothing came back.

However, seeing the parliamentary secretary here, an old friend of us all, and knowing he will take our question seriously, we can rest assured that we will be told when this tax reformation will take place.

Mr. Bell: Don't count too much on it.

Mr. McCleave: The hon. member for Saint John-Lancaster (Mr. Bell) is a friend of mine, but we know he is somewhat cynical. I expect we will hear the whole thing unfolded. Anyway, I will give the parliamentary secretary the chance to do so.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the Minister of Finance on numerous occasions has indicated his intention to introduce the legislation implementing the tax reform in April. I would refer the hon. member to the minister's most recent statement in the House in this regard, made in response to an inquiry by the hon. member's leader last Wednesday as recorded at page 3031 of *Hansard*. The minister stated:

> I expect to introduce legislation for tax reform some time toward the end of April.

The question was not, as the hon. member appeared to believe during the oral question period today, whether or not tax reform will be introduced by a separate bill or by a budget speech. Evidently the hon. member has had an opportunity to get that matter straightened out since the question period. A bill amending the Income Tax Act will be introduced in any event. The only question is whether the introduction of that bill will be preceded or accompanied by a budget speech. It is not possible at this time to indicate which of the procedural options will be followed.

HOUSING—SUGGESTED ESTABLISHMENT OF MUNICIPAL LAND BANK

Mr. John Gilbert (Broadview): Mr. Speaker, I appreciate the attendance here of the minister in charge of housing. He is one of the hardest working members of the House and I will be very happy when he becomes a full minister and receives the full pay that he so richly deserves.

• (10:10 p.m.)

On January 29 I asked the minister in charge of housing a question with reference to an article which appeared in the Toronto *Telegram,* written by the hon. member for Trinity (Mr. Hellyer) in which he stated that the Canadian housing situation is bad and is getting worse. He said that the government missed an excellent opportunity in the setting up of a municipal land bank and providing all the necessary moneys so that the cost of housing, especially the cost of land, would be sharply reduced. Mr. Speaker said that my question was in the form of a submission and that he assumed the minister would consider it as such.

If I can give you a little history concerning this matter, Mr. Speaker, I will go back to 1967 and the Dominion-Provincial Conference on Housing. The then Prime Minister set forth the problem in very clear and concise terms. He issued a press release and on page 1 this passage appeared:

> The broad facts and forecasts about urban growth are well known to all of us.
>
> Almost three quarters of our population now live in cities and towns.
>
> By 1980 nearly two-thirds of all Canadians will live in 29 major urban communities; one-third will live in Montreal, Toronto or Vancouver.
>
> At least 500,000 acres of new land, including much of our best farmland, will be needed to accommodate the physical expansion of these 29 urban centres by 1980; three or four times that much if we don't make more efficient use of land in the future.

On page 11 there were these words:

> It is true that housing costs have increased by about 50 per cent between 1951 and 1966.
>
> This is more than for most other costs and must cause concern—
>
> Land costs, however, will be an increasingly significant and disturbing factor in housing costs, unless appropriate action is taken to reduce or at least limit further increases.

On page 15 the then Prime Minister was reported as saying the federal government was going to attack the problem on four main bases. I shall quote two which he considered to be part of the answer:

> Federal financial participation in comprehensive planning of our urban regions and in the advance acquisition of land for

transportation corridors and open spaces for recreation and similar community purposes.

Federal financial suport for land assembly and development of comprehensively planned new suburban communities within urban regions.

That was in 1967. Then in January, 1969, the hon. member for Trinity issued his task force report. What he said could be summarized as follows: the present system of assembling and servicing land in much of urban Canada is irrational in concept and inefficient in practice. He then referred to the grand practice followed in the city of Saskatoon. That city acquired a great deal of land during the thirties as a result of default on payment of taxes. It used that land in the proper planning sense. The land was serviced and lots were sold. Further land was acquired in the suburbs and the city now has 5,000 acres, which will meet its needs for the next 20 years. He said the lesson to be learned from this was that municipalities or regional governments should acquire and service substantial portions of land within their boundaries and the federal government should be prepared to make loans to municipalities for this purpose. He also set forth the example of Mr. William Teron, creator of the Kanata development in Ottawa, who said that there is no use dreaming about planning a city unless you own the land.

From January, 1969, we have had very insignificant government action. It has been very much like giving a starving elephant a peanut, very much like giving a starving man a handshake. There have been two methods by which the government has acquired land for housing purposes. Under one the federal government pays 70 per cent of the cost of assembling raw land for residential purposes and the balance is borne by the province and the municipality concerned. From 1948 to 1969, 25,568 lots were authorized for development, but I would point out that in 1969 only 960 lots were authorized for development. The second method is a federal-provincial agreement under which the federal government pays 90 per cent of the acquisition costs and then it recoups its money by having the municipality take out a loan which is repayable within 15 years. In 1969 we spent the small amount of $7 million on land acquisition.

On the issue of the land bank there was a great confrontation between the hon. member for Trinity, when he was responsible for housing and the Prime Minister (Mr. Trudeau). As a result the minister, who is now the hon. member for Trinity, resigned his cabinet post. Notwithstanding what happened between the Prime Minister and the hon. member for Trinity, the present minister has not acted. Is it any wonder that the hon. member for Trinity wrote an article in the Toronto *Telegram* in January, 1971, in which he said that housing in Canada is bad and is getting worse, and that the government missed an excellent opportunity by not providing funds for municipal land banks in order that we could reduce one of the main costs of housing in Canada? He said that the cost of land and the servicing of land is one of the main elements in the cost of housing.

The hon. member for Trinity also said that he could see no reason, financial or constitutional, why this could not have been done. We in the New Democratic Party have said the same thing for many years. We continue to preach the gospel to the minister but he continues to be deaf to our requests. We ask the minister, why has he not accepted the excellent recommendations which the hon. member for Trinity made in the Toronto *Telegram*?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, as always I welcome the constructive suggestions of the hon. member for Broadview (Mr. Gilbert). I always have respected the recommendations and suggestions of my predecessor and close friend and associate, the hon. member for Trinity (Mr. Hellyer). The fact of the matter is, however, that the situation is not quite as it was presented. I am sure that the hon. member had no intention of being incorrect.

We made a change in the act in June, 1969, with regard to land assembly. I believe that the hon. member for Trinity had suggested 100 per cent loans when we were dealing directly with municipalities. We considered that seriously. There were no ideological considerations attached to it. However, the fact is that the municipalities, whether we liked it or not, operate in part under the jurisdiction of the provinces and any loans to the municipalities would sooner or later, directly or indirectly, have to be approved by the provincial governments under their municipal acts.

There was really no indirect way around that. However, we amended the act to permit loans to municipalities, with provincial approval, for amounts of up to 90 per cent of the cost of acquiring and servicing land, as the hon. member pointed out. We changed the breadth and scope of that provision from what it was before, because it was restricted to assembly of land for public housing purposes. We widened it to general housing purposes. That is a fairly large hole through which many endeavours can be brought in.

• (10:20 p.m.)

I cannot tonight, off the top of my head, correct the hon. member precisely with regard to the amount of money spent last year, but I think it was closer to $30 million than to the $7 million that he mentioned. When the CMHC budget is laid before the House, I hope within the next very few days, he will find that we have given increased attention to that program under the National Housing Act. Rightly or wrongly, last year we chose to devote a very significant portion of our capital funds under the CMHC budget to the provision of housing for fast starts and, particularly, for low-income housing.

If I may now refer to the article of the hon. member for Trinity stating that housing in Canada is bad and is getting worse, which the hon. member for Broadview

mentioned, I think that that is an overpessimistic view of the situation and interpretation of the facts. Last year, despite the disastrous forecasts from many corners of the House, and some articles, there were more than 190,000 starts during the year. Far more significant than what I call the numbers game is the fact that in excess of 50,000 of these starts were financed for low-income housing through CMHC.

Mr. Deputy Speaker: Order. I am sorry to interrupt the minister but his time has expired.

Motion agreed to and the House adjourned at 10.22 p.m.

HOUSE OF COMMONS

Tuesday, February 9, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

WELFARE

FEDERAL SHARE OF COSTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to ask leave of the House to present a motion under Standing Order 43. Usually, when one presents such a request under Standing Order 43, it is assumed that one is asking for the entire House to agree to the substance of the proposition. In this case I know that the substance of what I am asking for has not yet been agreed to; therefore I am simply asking for what is provided in Standing Order 43, namely, that consent be given to the making of the motion so the House can decide whether it agrees with the substance of the proposition.

Therefore, in view of the $75 million welfare budget in the city of Toronto and similar high costs in other cities and in other parts of the country I move, seconded by the hon. member for Surrey (Mr. Mather):

That this House urges the government to give immediate consideration to the raising of the federal share of costs under the Canada Assistance Plan from 50 per cent to 65 per cent during any fiscal year in which unemployment in Canada exceeds 3 per cent of the labour force.

Mr. Speaker: As the hon. member for Winnipeg North Centre has explained, he requires the unanimous consent of the House in order that the motion can be put. I have to inquire whether there is such unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity so the motion cannot be put.

* * *

AIR CANADA

TABLING OF REPORT ON CRASH OF DC-8 AIRCRAFT AT TORONTO INTERNATIONAL AIRPORT, JULY 5, 1970

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, in accordance with Standing Order 41(2) I wish to table in the two official languages the report of the board of inquiry into the accident at Toronto International Airport, Malton, Ontario, to Air Canada DC-8-CF-TIW aircraft on July 5, 1970, held before the Hon. Mr. Justice Hugh F. Gibson, Commissioner.

* * *

CLEAN AIR ACT

MEASURE RELATING TO AMBIENT AIR QUALITY AND CONTROL OF POLLUTION

Hon. Jack Davis (Minister of Fisheries and Forestry) moved for leave to introduce Bill C-224, relating to ambient air quality and to the control of air pollution.

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

• (2.10 p.m.)

MOTION TO ADJOURN UNDER S.O. 26

THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the imminent takeover and foreign control of Home Oil Company of Calgary by Ashland Oil Incorporated of Kentucky, and the vital necessity for Parliament to consider ways and means of preventing the last major Canadian-owned and controlled oil company from being sold to non-residents, this subject being of equal importance to the Prime Minister's interruption of an emergency debate on March 2, 1971, to announce that the government would prevent the sale of control in Denison Mines Limited to non-residents.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands has given the notice required under Standing Order 26, and I have considered the matter most attentively. The matter raised by the hon. member

is one which is of national interest and concern to all members of the House. This has been indicated by the number of questions which have been asked on a number of days during the last week or so. Indeed, it seems to me that this is the very kind of situation which appears to be contemplated by Standing Order 26. In ordinary circumstances, the motion could very well have been put to the House.

The spirit of the Standing Order is that hon. members should be given an opportunity to discuss an urgent matter of national importance within a reasonable time. However, it has already been indicated to the House that tomorrow and Thursday would be set aside for the consideration of the budget debate. These will be the last two days spent on that debate. These two days will provide an opportunity to consider the problem raised by the hon. member for Nanaimo-Cowichan-The Islands.

I had some reservations about this possibility at first, thinking that a number of hon. members had already taken part in the budget debate. But since only two hon. members spoke on the main motion—the others spoke on the amendment and subamendment—just about every hon. member except two will have an opportunity, if they want to and provided the necessary time is available, to participate in the debate. If I may make a suggestion, which may be beyond my competence and jurisdiction, an arrangement might be made among the House Leaders regarding the setting of a time limitation of the speeches which can be made during the next two days. In other words, I suggest to the hon. member for Nanaimo-Cowichan-The Islands that it would be very difficult for the Chair on the eve of a general debate to say that we should have a special debate under the terms of Standing Order 26.

Again I insist that I recognize that this is the kind of matter which might very well be the subject of a debate under the provisions of Standing Order 26, but because there has already been an indication that tomorrow and the day after will be provided for the study of problems such as this one I do not think I could allow the hon. member's motion at this time.

* * *

CANADA DEVELOPMENT CORPORATION

ENTERING OF CAVEAT REGARDING NATURE OF BILL

Mr. G. W. Baldwin (Peace River): Mr. Speaker, before you call oral questions I would like to file what I might call an oral caveat with regard to Bill C-219, dealing with the Canada Development Corporation. Before the bill is presented for second reading we intend to argue that it is a hybrid bill and as such it is subject to certain consequences, if this is so declared by Your Honour. It may well be that because of precedents the argument must be made before second reading is called. I am giving the government due notice of our intention so that before the bill is called we may have the opportunity to argue the point.

[Mr. Speaker.]

ORAL QUESTION PERIOD

FINANCE

OPINIONS OF BANK OF CANADA AND GOVERNMENT REGARDING APPROPRIATE ECONOMIC POLICIES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Acting Prime Minister arising out of the apparent tightening of the monetary supply by the Bank of Canada in recent times. Does this indicate a difference of opinion between the government of Canada and the Bank of Canada with regard to appropriate economic policies of the day, and that the primary concern of the Bank of Canada relates to inflation whereas the government has been indicating that its primary concern at the moment is expansion?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the answer to the first part of the question is that I know of no difference in view between the bank and the government on economic policy. I might add one comment, that it is the purpose of the government, and I believe of the bank, to promote steady and sustainable expansion.

Mr. Diefenbaker: "Wrong-way Corrigan" again.

Mr. Stanfield: Mr. Speaker, since the Acting Prime Minister has indicated that there is no difference of opinion, is the government of Canada concerned that the economy of Canada is currently expanding too rapidly or that interest rates are falling too rapidly?

Mr. Sharp: Mr. Speaker, I hesitate to get into a discussion on monetary policy on this occasion but, as I said in answer to the first question, if we are going to ensure high levels of employment in the future it is important that we are embarked on a sustainable increase in our gross national product and in our general activity. The worst possible thing would be sudden inflation and a subsequent recession.

Mr. Stanfield: Mr. Speaker, I am sure the Acting Prime Minister would agree with the importance of removing all possible uncertainties that may stand in the way of expansion. Would he have the government take into consideration a presentation to the House as to just what the policy of the government and the Bank of Canada is so that the whole country will know where they fit and uncertainties of this sort, creating doubts and some confusion, may be avoided, particularly in view of the very difficult outlook facing the country regarding unemployment?

Mr. Speaker: Before the Acting Prime Minister replies I should suggest that the question as asked invites a rather general statement, and I wonder if the Acting Prime Minister should be allowed to make that kind of statement at this time. It should normally be made on motions.

Mr. Sharp: As Your Honour has said, we are resuming the budget debate tomorrow and this would be an excellent topic for discussion at that time.

Mr. Stanfield: With respect, Mr. Speaker, I did not ask the Acting Prime Minister for a lengthy statement. I simply asked him whether the government would take this into consideration.

* * *

THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—INQUIRY AS TO AGREEMENT—GOVERNMENT ACTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources, who seems to have difficulty being in his place on those days when he is on the roster, I would like to direct a question to the Acting Prime Minister with reference to the negotiations which have been going on between the Home Oil Company and Ashland Oil Incorporated of Kentucky regarding a takeover of the former by the latter. Can he give the House any information on whether or not an agreement has been reached and what is the nature of that agreement?

Hon. Mitchell Sharp (Acting Prime Minister): I am sorry, Mr. Speaker. Could the hon. member repeat the question?

Mr. Douglas (Nanaimo-Cowichan-The Islands): I am asking the Acting Prime Minister if the discussions which have been going on for some time between the Home Oil Company and Ashland Oil Incorporated of Kentucky have been completed and if any agreement has been reached?

Mr. Sharp: Mr. Speaker, I am informed that the discussions are continuing and that no decision has yet been reached.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, on February 2, as recorded on page 2976 of *Hansard*, I asked the Minister of Energy, Mines and Resources "whether the government is prepared to exercise the same powers with respect to Home Oil Company remaining in Canadian hands as were exercised by the government with respect to Denison Mines." The minister replied at that time:

> I cannot speak for the government in that regard at this time. That would be a matter for the government to decide.

Since that was some days ago I want to ask the Acting Prime Minister if the government has looked into this matter and if he can now assure the House that the government is prepared to exercise all the necessary powers, including asking Parliament for the necessary legislation, to prevent the takeover of Home Oil Company of Calgary by Ashland Oil Incorporated of Kentucky?

Mr. Sharp: Mr. Speaker, I cannot give that undertaking. As the minister has said, discussions are going on now among the various parties, including the minister, to do everything possible to see that this company remains in Canadian hands. As the hon. member knows, in the case of Denison the federal authority had declared that uranium was a work for the general advantage of Canada. In that case there was no problem with respect to constitutional authority. I do not think the situation is quite as clear with respect to oil.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Acting Prime Minister if I am to take from his remarks that the government considers that the retention in Canadian hands of a share in the oil industry, which in the foreseeable future will probably be the largest industry in Canada, is not just as important as keeping control of part of the uranium industry in Canadian hands?

Mr. Sharp: Mr. Speaker, as the hon. gentleman knows, I think there might be some resistance on the part of the provinces if the federal Parliament were to take complete jurisdiction over oil. That, it seems to me, is the difference between the uranium case, in which many years ago a declaration was made that uranium is a work for the general advantage of Canada, and the kind of situation that now exists in the oil industry.

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—ABILITY OF OTHER CANADIAN COMPANIES TO COMPETE IN BIDDING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister. Is it the position of the government of Canada that under existing Canadian tax laws it would be possible for another Canadian company to compete with a United States company in acquisition of the control of Home Oil Company or any similar company? Is the government pretending that the Canadian company would be on any grounds of equality in connection with such negotiations?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, Your Honour may recall that the same question was directed to my colleague, the Minister of Finance, last week. I have nothing to add to what he said then.

Mr. Stanfield: Why does the minister not want to answer the question?

Mr. Woolliams: I thought the Minister of Energy, Mines and Resources said the opposite.

* * *

[*Translation*]

OIL

POSSIBLE STOPPAGE OF OFFSHORE SUPPLY—CONTINGENCY PLANS FOR EASTERN CANADA—FEASIBILITY OF CONSTRUCTING PIPELINE

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I had a question I wanted to direct to the Minister of Energy, Mines and Resources but since he is not in attendance, I shall direct it to the Acting Prime Minister.

Because of the threatened embargo by the oil-producing nations and bearing in mind the limited oil reserves which according to some experts would barely provide for our domestic consumption for a period of 16 days, would the Acting Prime Minister tell us whether the government is considering a speedier delivery of oil from Western Canada to our Eastern areas by sponsoring the building of a pipeline or by providing some other means of transportation?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, this gives me an opportunity to correct a story that has appeared in the newspapers that may have caused some alarm. There are very much larger reserves of oil in Canada than those mentioned in the newspaper report referred to by the hon. member.

Mr. Harkness: Where?

[*Translation*]

Mr. Laprise: Mr. Speaker, I have a supplementary question.

Would the Acting Prime Minister inform the House whether the government intends to ask impartial and independent experts to make an investigation or a study of the economic value of a Trans-Canadian pipeline?

[*English*]

Mr. Sharp: No, Mr. Speaker. The question of constructing a pipeline is, as the House knows, an active one and has been for some time, but so far there has been no application for the building of a pipeline, which would be the normal course of events.

May I add to the answer I gave to the previous question, in order to give some reassurance in the present circumstances. There should be somewhat over 60 days supply of product available for the eastern Canadian market at the present time.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, has the minister, on behalf of the Canadian government, had any discussions with the United States government with respect to any contingency arrangements to supply United States oil to eastern Canada if there should be an embargo?

Mr. Sharp: Mr. Speaker, I think this is a hypothetical question. We had some discussions when the ministers and secretaries were gathered in Ottawa on the general situation. At the moment we see no reason for any emergency meetings to deal with this hypothetical situation. It is still our hope that there will be no emergency whatever.

SUGGESTED FEASIBILITY STUDY OF ECONOMICS OF BUILDING PIPELINE FROM WEST TO SERVE EASTERN CANADA

Mr. Eldon M. Woolliams (Calgary North): I wish to direct a question to the Acting Prime Minister in connection with his answer with regard to a pipeline. In view of the petroleum situation and the economic situation, particularly in this country, will the government initiate and promote a feasibility study to ascertain the economics of building a pipeline from western Canada to supply central and other parts of Canada with petroleum?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker. It is not the intention of the government to initiate any such study. If the economics of the situation justify building a pipeline to Montreal, for example, there are many companies in this country with sufficient information which can make the necessary application for the building of such a pipeline.

Mr. Woolliams: Does the Acting Prime Minister intend to leave this serious economic matter to foreign controlled companies to decide for the good of Canada?

Mr. Sharp: Mr. Speaker, I think the hon. member knows the Trans-Canada Pipe Line is almost wholly Canadian owned.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Nanaimo-Cowichan-The Islands and then go on to another subject.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I remind the Acting Prime Minister that he is talking about the trans-Canada gas pipeline, not the interprovincial oil pipeline which is owned by a subsidiary of Standard Oil.

Mr. Speaker: Order, please.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The minister stated that there are 60 days oil supply in reserve in eastern Canada. What is this statement based on in view of the fact that the storage capacity is 15 million barrels of crude oil and 54 million barrels of crude oil products, which represents approximately three weeks supply? What is the source of the minister's optimistic estimate of 60 days?

Mr. Speaker: Order, please. I suggest we are now entering the field of debate between the hon. member and the minister.

Mr. Douglas (Nanaimo-Cowichan-The Islands): What is the source upon which the minister bases his 60-day estimate?

Mr. Sharp: Mr. Speaker, in anticipation of these questions being asked I asked the National Energy Board to advise me with regard to the position because they were rather concerned about the reports which appeared in the papers. Perhaps I could give the answer to the hon. member's question. The 16-day figure given for Canada is for crude oil refinery throughout. There are, however, some 50 days product supply on hand. Available crude oil would provide another 14 to 15 days product supply. Therefore there is somewhat over 60 days product supply available for the eastern Canadian market.

WELFARE

PROVISION OF EMERGENCY FUNDS TO MUNICIPALITIES

Hon. George Hees (Prince Edward-Hastings): I have a question for the Acting Prime Minister. Since welfare costs in Metropolitan Toronto have risen 50 per cent above what they were a year ago because of excessive unemployment, a pattern which has developed in municipalities right across the country, is the government now giving consideration to taking steps to help these municipalities to meet these very high costs which have been brought about by excessive unemployment?

Mr. Speaker: Order. I have the impression the question asked by the hon. member, important though it may be, has been asked at least a few times during the past few days. Possibly the hon. member might like to rephrase the question. He is really asking a question which has been asked in those precise terms in the past few days.

Mr. Hees: I will make my question a little more specific. Is the government giving consideration to assisting Metropolitan Toronto which is faced with very high costs because of excessive unemployment? This question has not been asked, Mr. Speaker.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, we have received requests from many cities and provinces for an increase in the proportion of welfare costs. As has been stated on a number of occasions when the same question has been asked day after day, the matter is under consideration.

Mr. Hees: Can the Acting Prime Minister advise the House whether the real reason the government is refusing to assist these municipalities is the fact that the Prime Minister's just society is running out of cash as well as steam?

Mr. Speaker: Order, please.

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PUBLIC WORKS

TORONTO—PROJECTS TO PROVIDE EMPLOYMENT

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to ask the Acting Prime Minister whether the government is giving consideration to the request of the mayor of the city of Toronto to assist in compiling a list of public works to give employment in Toronto?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I have not personally seen these requests but I am sure they will receive every consideration.

PROVISION OF MAKE-WORK PROJECTS

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary for the Minister of Public Works.

Inquiries of the Ministry

Is it the policy of his department, in line with the policy of the government, to expedite the decision-making process in relation to public works projects and to proceed with projects as a make-work effort? I ask him in all seriousness, if this is the case would he accept the recommendations of Members of Parliament?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I think I answered a like question in the affirmative about ten days ago.

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CANADIAN BROADCASTING CORPORATION

PREFERENCE OF DIRECTOR OF INFORMATION FOR CANADIAN ACCENTS—SUGGESTED PURGING OF PORNOGRAPHIC PROGRAMS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, in the absence of the Secretary of State and the Minister without Portfolio who reports for Information Canada I direct my question to the Acting Prime Minister. Has the Canadian Broadcasting Corporation decided to get rid of non-Canadian accents, and can we expect to see much less of Ron Collister, Gordon Donaldson and all the rest?

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I hope that the applause from the government side of the House was in approval of these persons. May I ask the Acting Prime Minister whether or not the government agrees with the view expressed by Knowlton Nash, the CBC's director of information, that "all things being equal, we would prefer Canadian voices"?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am not sure whether this is a question or a representation, but I will take it into account.

Mr. Diefenbaker: Then may I ask a supplementary, Mr. Speaker. Will the minister have a statement made, and at the same time advise that the CBC should give consideration to purging filth, pornography and that kind of programs that are all too general these days?

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INDUSTRY

ROLLS-ROYCE FINANCIAL DIFFICULTIES—OPPORTUNITY OF ADDITIONAL WORK FOR CANADIAN FIRMS ON JET ENGINES FOR LOCKHEED

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of the fact that Rolls-Royce in the United Kingdom has gone into receivership, and in view of the announcement yesterday that Lock-

heed Aircraft Corporation of Canada is attempting to arrange to have the RB-211 engine built by a Canadian based company, what action is the government prepared to take to encourage this possible opportunity for additional work in the Canadian aircraft industry?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I sincerely believe that it is too early for me to comment on this matter. The subject is still extremely hot and the companies involved are still looking for a way through this situation. I might observe, though, that if the project is too big for Rolls-Royce of England, with the full support of the British government, in co-operation with one of the biggest U.S. companies, to handle, it might be a bit too big for Canada too. Nevertheless, we will be looking at all avenues, Mr. Speaker.

ROLLS-ROYCE FINANCIAL DIFFICULTIES—CONTRACTS HELD BY CANADIAN FIRMS RESPECTING JET ENGINES FOR LOCKHEED

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, can the minister indicate to the House the value of the contracts held by Canadian companies under the Rolls-Royce project to supply these RB-211 jet engines to Lockheed?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I do not have that figure. I might try to find it, but I will acknowledge the fact that these contracts were very important, especially to some Canadian companies who counted on them very much.

Mr. Stanfield: Would the minister, having looked into the matter, make a statement to the House indicating the amount of the contracts, the number of people employed and what measures, if any, the government is going to take to help the companies and the men concerned to meet the problems that may arise as the result of the cancellation of these contracts?

Mr. Pepin: Mr. Speaker, I will try to include as much as I can in my answer to the question.

[*Later:*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a supplementary question for the Minister of Industry, Trade and Commerce concerning the questions and answers about the Rolls-Royce company and related companies. Is the minister discussing with his colleague, the Minister of Finance, the question whether or not the Canadian dollar should be pegged at the present time in view of the present rate of exchange, which has had a near disastrous effect on many secondary industries, particularly the aircraft and auto parts industries?

Mr. Pepin: Mr. Speaker, I think the Minister of Finance is aware of whatever is true in all that. I do not think he would learn more by reading the question.

[Mr. McBride.]

MIGRATORY BIRDS CONVENTION ACT

NEGOTIATIONS WITH UNITED STATES RESPECTING RECOGNITION OF NATIVE PEOPLE'S HUNTING AND FISHING RIGHTS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I have a question which may be of some concern to two or three ministers, but since it involves Canada's relationship with another state I will address it to the Secretary of State for External Affairs. Are negotiations under way with the United States concerning the amendment of the Migratory Birds Convention Act in order to give recognition to the aboriginal rights of our native people with regard to fishing and hunting? If so, can the minister say when there is likely to be some conclusion of this matter with the United States?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to take that question as notice.

* * *

AIR CANADA

ACTION TO MAINTAIN COMPETITIVE POSITION IN OBTAINING EQUIPMENT

Mr. Stan Schumacher (Palliser): Mr. Speaker, my question is for the Minister of Transport. On March 13, 1970, a question was asked whether Air Canada's order for air buses would be switched from Lockheed to another manufacturer to ensure delivery. In view of the projected one-year delay in delivery of the Lockheed Tri-Star, what steps is the government going to take to keep Air Canada competitive in obtaining equipment and to rectify their error in giving the order to Lockheed?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I can merely repeat what I said on Friday, which is essentially what has just been said by my colleague, the Minister of Industry, Trade and Commerce, that at this moment it is not clear what the future plans are of Rolls-Royce vis-à-vis the Lockheed 1011. I can only say that Air Canada has the matter under constant review and will move just as soon as the situation has been clarified.

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INDIAN AFFAIRS

LENNOX ISLAND RESERVE—SAFE MEANS OF TRAVELLING TO MAINLAND

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. On Friday last the minister indicated that his department would not be proceeding as indicated

earlier with the construction of a causeway or bridge to Lennox Island Indian reservation but hoped that he would shortly be able to make an announcement with respect to the project. Is the minister able to make such an announcement today? If not, when might he be able to do so? Has the minister had any communication with the government of Prince Edward Island which was under the very firm impression that the project would go ahead this spring?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, that was our intention, but as the cost was found to be too great, we are reconsidering the proposal. As soon as we are able to submit a report to the House, I shall be happy to so inform the hon. member.

[*English*]

NORTHWEST TERRITORIES—ALLEGED BIGOTRY OF SUPERVISORS IN NOT ENSURING JOBS FOR NATIVE PEOPLE

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development. Are the minister or his officials investigating the charge contained in a resolution passed by the Northwest Territories Council that his department is hiring as supervisors thinly disguised bigots who are doing little, if anything, to ensure that native people are hired for anything but unskilled positions?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, most of the civil servants in the Northwest Territories are hired locally by the government; it is answerable to the Council which adopted that resolution, copy of which I have yet to receive.

However, I want to point out to the hon. member that we have conferred much authority upon the government of the Northwest Territories, as the hon. member has requested so often.

[*English*]

Mr. Orlikow: Mr. Speaker, would the minister investigate the claim that a very high percentage of those employed on drilling crews, for which not much skill is required, are being recruited in southern Canada instead of from the native people in the territory?

[*Translation*]

Mr. Chrétien: Mr. Speaker, it is true that many of those who are hired come from the south, but I point out to the hon. member that two years ago we established a school in Edmonton to train Indians and Eskimos of the north as competent members of those crews. I think that last summer about 20 of them worked in those crews, and we hope that industry will be able to hire many more next season.

Inquiries of the Ministry

[*English*]

POLICY OF TRANSPORT DEPARTMENT RESPECTING HIRING OF NATIVE PEOPLE

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my supplementary is directed to the Minister of Transport. Is it the normal policy of the Department of Transport not to hire native people? I refer to the same report mentioned by the hon. member for Winnipeg North. If not, is the government going to investigate the allegations of discrimination and, if so, will the findings be made public?

Mr. Speaker: Order, please. It seems to me that the hon. member is repeating substantially the same question that has already been asked. There may be new aspects to it and it might be easier for the minister to answer the hon. member's question.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there certainly is no policy of not hiring native people—quite the contrary. As for the allegations in the item to which the hon. member has referred, I will undertake an investigation and I see no reason that the outcome should not be made public.

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AGRICULTURE

INTERPROVINCIAL MARKETING—DISCUSSION AT FEDERAL-PROVINCIAL CONFERENCE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In view of the very serious problems which have been created as a result of provincial regulations interfering with the free flow of agricultural products, is the present federal-provincial conference dealing with this situation and is there any intention to suggest a solution?

Hon. Mitchell Sharp (Acting Prime Minister): I am not sure, Mr. Speaker. My colleague, the Minister of Agriculture, is at the conference today so perhaps it has got around to this item. Certainly it is our purpose to have a Canada with as few restrictions on interprovincial trade as possible.

* * *

[*Translation*]

CRIMINAL CODE

AMENDMENT OF SECTION RESPECTING CONTEMPT OF COURT

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to put a question to the Solicitor General.

Does the minister intend, as suggested by some of his party's supporters during the week end, to introduce an amendment to the Criminal Code concerning condemna-

tions for contempt of court in order to allow a judge other than the presiding judge to make an objective decision as to whether or not a statement made by a witness or an accused is in contempt of court? Does not the minister believe that this formula would prevent some accused who intentionally insult the court from claiming that the judge is biased against them?

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, it is certainly not—

Mr. Speaker: Order, please. I apologize to the minister who wants to reply to the hon. member for Charlevoix.

[*English*]

I understood that the hon. member for Athabasca was rising on a question of privilege. He should be given priority. Before he is recognized I should bring to the attention of hon. members that we are running short of time. We had a mini-debate on oil policy which took up quite a bit of time and we should move along as quickly as possible.

Mr. Yewchuk: Mr. Speaker, I am sorry to interrupt the proceedings but the translation was interrupted. There is no translation coming through at all.

[*Translation*]

Mr. Speaker: The Solicitor General has the floor.

Mr. Goyer: Mr. Speaker, I am so far not aware that delegates to a political conference have made any decision on this matter one way or another. But it is certainly not up to adepts of urban guerilla to dictate priorities to the government. The government has stated what its priorities were concerning the Criminal Code and I believe they are well known.

Mr. Asselin: I have a supplementary question, Mr. Speaker. Does the minister not feel that would be one way to preserve the dignity of our courts and upgrade the role of our judges which is deteriorating disturbingly in Montreal now?

* * *

[*English*]

EXTERNAL AFFAIRS

GEORGES BANK—PROGRESS OF NEGOTIATIONS WITH UNITED STATES ON INTERNATIONAL BOUNDARY

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Secretary of State for External Affairs. In view of the dispute between Canada and the United States over sovereignty claims on Georges Bank, which lies midway between Yarmouth and Cape Cod, Massachusetts, has any progress been made or agreement reached that the median line, as set out in the 1958 Geneva Convention, is the accepted international boundary? I ask this question in view of the environmental hazards of offshore oil investigation and the need for establishing pollution control regulations in the area.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, my understanding is that the discussions are still continuing but that no agreement has been reached.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, in view of the fact it was 13 years ago as a result of the Geneva Conference that these discussions began, when can we expect the jurisdictional dispute regarding Georges Bank to be brought to a satisfactory conclusion?

Mr. Sharp: Mr. Speaker, just as soon as the United States agrees with our point of view we can settle it immediately. There is a problem between us and we are trying hard to reach an amicable settlement.

Mr. Lundrigan: Mr. Speaker, I wonder whether the minister would stop giving us this kind of nonsense and begin exercising a little bit of initiative.

Mr. Speaker: Order, please. We are running short of time.

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CANADIAN BROADCASTING CORPORATION

CONSULTATION WITH SECRETARY OF STATE'S DEPARTMENT REGARDING ALLEGED ILLEGAL ACT ON PROGRAM "WEEKEND"

Mr. Jean-R. Roy (Timmins): Mr. Speaker, I have a question for the Secretary of State. In his absence I will direct it to the minister responsible. Following the program "Weekend" of last Sunday evening concerning the drug problem in Canada, would the minister inform the House whether his department was consulted regarding the showing of an illegal act on national television, namely, two young girls self-injecting drugs in their veins, and were these performers paid for their participation?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I will see that this question is brought to the minister's attention.

Mr. Roy (Timmins): Will the minister make inquiries and advise if the staging of an illegal act on national television contravenes the law of this country or—

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

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CONSUMER AFFAIRS

INTENTION OF BRITISH COLUMBIA TELEPHONE COMPANY TO INCREASE RATES—REQUEST FOR INVESTIGATION

Mr. Barry Mather (Surrey): Mr. Speaker, I had a question for the Minister of Consumer and Corporate Affairs but in his absence perhaps you would allow

someone to take it as notice. Is the minister aware of the declared intention of the British Columbia Telephone Company to seek a major increase in telephone rates? In view of the possible inflationary effect, would the minister's department look into the matter or perhaps have the Prices and Incomes Commission do so?

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NATIONAL HARBOURS BOARD

POSSIBLE LEASE OF PROPERTY AT ENTRANCE TO STANLEY PARK, VANCOUVER—GOVERNMENT ACTION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, my question is for the Minister of Transport and arises from an indication that he might have something further to say about the lease by the National Harbours Board of property at the entrance to Stanley Park in Vancouver, about which his assistant was questioned on January 28. Does the minister or the government intend to take any action with regard to the development of this land in the interest of the people in the area? Does the minister intend to act or let nature take its course?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I can answer on behalf of the National Harbours Board that as of Tuesday or Wednesday of last week a decision was made to seek a resolution of the initial question having to do with an appropriate and proper valuation for the land. It is my information that the National Harbours Board has now taken steps to have an independent assessment made of the land value.

As to the larger question of the future of the project, it is, of course, really one in the last analysis for settlement by the municipal government of the city of Vancouver, except for the fact that National Harbours Board leases always include the requirement that the lessee abide by the bylaws of the community in which the land is located. Whether it would be appropriate for the federal government to intervene at that level I suggest is open to question. I think the first job, which we have now undertaken, is to get an independent assessment of the land value.

Mr. Stanfield: I take it from the minister's reply that at the present time neither the National Harbours Board nor the minister intends to halt the sale or lease or to do anything other than to proceed with the sale or lease after satisfying themselves as to valuation?

Mr. Jamieson: No, Mr. Speaker. At the moment the position is, as I said, that we are seeking to obtain a fair market value. No decision beyond that point has been taken. I emphasize the basic question of whether in fact we have any authority to determine the use to which the land is put once it is sold.

Mr. J. P. Nowlan (Annapolis Valley): Could the minister give us the assurance, in view of participatory democracy, whatever that means, that before a firm decision is made in this regard interested bodies in Vancouver will be able to make representations to the city council or that the department will bring pressure to bear so that the views of the public on this project can be expressed?

Mr. Jamieson: Whatever regard I may have, and it is great, for what the hon. member calls participatory democracy, I certainly do not have the hon. member's high regard for what he regards as government arrogance, and it would certainly be arrogance on my part to instruct the city council on who they are going to hear. That is entirely up to them.

Some hon. Members: Hear, hear!

Mr. Jamieson: In so far as representations to the government, to the National Harbours Board or to myself are concerned, these of course will be received, as many have been, and will be given full consideration.

Mr. Nowlan: I have a supplementary question for the minister. In view of the minister's answer—

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Vancouver-Kingsway first and return to the hon. member in a moment.

Mrs. Grace MacInnis (Vancouver-Kingsway): I should like to ask the minister whether he can give us some idea of when the survey having to do with land valuation will be completed?

Mr. Jamieson: I fear I cannot do so at the moment but I will try to determine how long it will take and let the hon. member know.

Mr. Nowlan: Would the minister not agree with me that part of the problem in the whole project has been the arrogance of certain government officials, let alone—

Mr. Speaker: Order, please. At this point the hon. member is arguing with the minister. I do not think that is a legitimate supplementary question.

Mr. Nowlan: I will rephrase it, Mr. Speaker. In view of some of the past proceedings with regard to this project and the different forms of arrogance that may have arisen, it would be healthy for democracy to have public participation in any final result. Certainly the minister, without being arrogant or dictatorial, could use his good offices with the city council of Vancouver to arrange for that type of public participation at meetings on what should be done in a matter of such importance to Vancouver.

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HOUSING

WAYS AND MEANS TO INCREASE STARTS AND PROVIDE EMPLOYMENT

Mr. John Gilbert (Broadview): I have a question for the minister in charge of housing. Since housing starts declined on a seasonally adjusted basis in the month of January to 182,900 from 254,700 in December, would the

minister make a statement on motions outlining ways and means of increasing housing starts to meet the necessary levels and also to provide employment?

Hon. Robert K. Andras (Minister without Portfolio): We think the downage is due to weather conditions. Within the next few days I will be making a statement to the House with regard to the CMHC capital budget, at which time I will try to deal with the matter the hon. member has inquired about.

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POLLUTION

THREAT POSED BY TANKER TRANSPORT OF OIL FROM VALDEZ, ALASKA, TO CHERRY POINT, WASHINGTON

Mr. Randolph Harding (Kootenay West): I have a question for the Secretary of State for External Affairs. In view of the unanimous decision by the British Columbia legislature on February 4, 1971, calling on the federal government to stop oil tanker shipments from Alaska to Washington state, I ask the Secretary of State for External Affairs whether he has made direct representations to the United States government in an endeavour to halt oil shipments over the route from Valdez, Alaska, to Cherry Point, Washington?

Hon. Mitchell Sharp (Secretary of State for External Affairs): So far as I know, no definite arrangements have yet been made for any such shipments. We have the situation under very close examination and at the appropriate time we will make representations. We do not think this is the time.

* * *

[*Translation*]

AIRPORTS

ST. SCHOLASTIQUE—ADVANTAGES OF SITE

Mr. René Matte (Champlain): Mr. Speaker, I would like to ask the Minister of Transport a question.

Does he agree with some officials of his department who now admit that the site of the St. Scholastique airport, if recommendable from a technical point of view, is not an ideal one with regard to the industrial future of Quebec?

Mr. Speaker: As asked, this question is not admissible.

[*English*]

TORONTO—PROGRESS ON SELECTING SITE FOR NEW FACILITY

Mr. S. Perry Ryan (Spadina): My question is also for the Minister of Transport. Now that the four-site option plan for the Metropolitan Toronto airport has been discarded as impractical, is the minister working feverishly or fervently with the other levels of government to arrive soon at a single site for this airport?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, feverishly, earnestly and at the moment courteously, I hope, by letting some of my associates at the provincial level of government get past a certain event of some importance which is taking place this week.

Mr. Ryan: Will a decision be taken about the site this year or before the government goes to the country?

Mr. Jamieson: I suppose it could very well depend on whether the hon. gentleman is going to that event and on how he votes. But the point of the matter is that I am waiting to see what kind of new team will be fielded at Queen's Park.

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AIR CANADA

SUGGESTED EMPLOYMENT OF NATIVE INDIAN GIRLS AS STEWARDESSES

Mr. Mark Rose (Fraser Valley West): My question is for the Minister of Transport and it relates to his earlier reply in which he indicated that there is no discrimination in the employment policies of the Department of Transport. As I travel constantly on Air Canada across the country and have yet to see—

Mr. Speaker: Order, please. Perhaps I should not interrupt the hon. member's travelogue, but he should ask a question.

An hon. Member: Now we know where you were.

Mr. Rose: I was in full flight when I was interrupted.

Mr. Baldwin: Yes, out of control.

Mr. Rose: I was going to observe that in all my travels with the Committee on Agriculture in the last two weeks I did not see a native Indian employee—

Mr. Speaker: Order, please. The hon. member should ask his question. I am not sure whether his remarks up to now were just introductory, but we have already reached the end of the question period. He should ask his question as quickly as possible.

Mr. Rose: I was about to ask my question, Mr. Speaker. I was about to ask the minister if he would lend his great weight to persuade Air Canada to employ some native Indian girls as air hostesses?

Mr. Speaker: The hon. member's representation has been noted. I have just pointed out that the question period expired a few moments ago, but the hon. member for Norfolk-Haldimand has been trying to ask a question and perhaps he should be recognized.

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VETERANS AFFAIRS

WAR VETERANS ALLOWANCES—OLD AGE PENSION AND SUPPLEMENT—REQUEST FOR STATEMENT TO CLEAR UP CONFUSION

Mr. William Knowles (Norfolk-Haldimand): Thank you for allowing me the privilege of ending the question

period, Mr. Speaker. This question is addressed to the Minister of Veterans Affairs. Since war veterans now receiving the veterans allowance are being directed to apply for old age security pensions plus the supplement, which means a loss of certain fringe benefits now available under war veterans allowances, will the minister look into all aspects of this question and make a statement on motions in the near future to clear up the confusion now existing in the minds of our older veterans?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): We are at present preparing legislation on these increases which will greatly benefit many veterans in this country.

Mr. Speaker: Orders of the day.

• (3:00 p.m.)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Thursday, February 4, consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: When the committee rose on Thursday, February 4, clause 5 of the bill was under consideration. Shall clause 5 carry?

On clause 5—*Duties of minister.*

Mr. Harding: Mr. Chairman, we are dealing with clause 5 of Part I of Bill C-207. I do not think we spent too much time discussing this clause last Thursday, and there are several points which I would like to make today. I would point out to hon. members that the clause as presently constituted gives the new minister a rather limited function so far as the total environmental picture is concerned. During second reading, a number of members of the parties on this side of the House expressed a desire that the minister's duties be expanded to cover all problems relating to pollution and pollution prevention. I again want to stress the need for an overall authority so far as pollution is concerned.

Surely, Canadians have learned from past experience that the division of jurisdiction for pollution among a number of departments has just not worked. It is the reason we are faced with major pollution problems from one end of the country to the other. We must have some minister in a position to oversee all pollution problems, in a position to set national standards and to see that they are enforced. One minister must be responsible for co-ordination and co-operation between the various departments with regard to environmental problems. Until we get that type of organization, we will not effectively reach the root of the problems.

I notice that several major areas which have pollution problems are excluded from the provisions of clause 5, and omitted from the jurisdiction of the new department. Again, I point to the Northwest Territories and the Yukon, which comprise 40 per cent of Canada's total area. The ecology of that area is extremely fragile. It is an area which should be directly under the control of the new department of the environment, yet it is being excluded. This does not make sense in any way, shape or form. The department must have authority to move into the north and do a proper job of pollution prevention.

At present we have no land use regulations for the Northwest Territories. They are in the process of being drafted, but over a period of years exploration has been taking place on an increasing scale in the north. Ecologists, and others who have done research, have told us that if we get a major oil spill or major pollution problem in some of the big Arctic rivers, Canada will be in real trouble. This immense, newly developing area should come under the control of the minister of the environment with regard to pollution matters.

A number of other areas are also omitted from the new department's control. Again, I stress it is absolutely essential to have one department act as a kind of umbrella over all other departments when dealing with the pollution problems of the nation. I have spoken on this matter previously, and I hope to ask questions of the minister once more. At the moment I would like to move the following amendment, seconded by the hon. member for Fraser Valley West:

That clause 5 of Bill C-207 be amended by striking out the first seven lines of the section and substituting the following:

The duties, powers and functions of the Minister of the Environment extend to and include all matters over which the Parliament of Canada has jurisdiction relating to pollution prevention and control and to

The Chairman: If the hon. member has concluded his remarks, I will put the amendment.

Mr. Harding: Before I sit down may I just say a word or two about the amendment. If adopted, it would do the job that I have suggested should be done. It would give the new department control over all pollution problems. It is a good amendment. It is what we have been fighting for over a number of years, and I think the committee should accept it.

The Chairman: Is the Committee ready for the question? Shall the said amendment carry?

Mr. Drury: Mr. Chairman, on the face of it this amendment purports to be both a simplification and expansion of the phraseology contained in the bill The difference between the wording of the amendment and the wording of the bill is the removal of the clarifying phrase, "not by law assigned to any other department, branch or agency of the Government of Canada." I think this clarifying phrase is important. This is in the nature of a residual clause, that all the jurisdiction related to pollution problems is vested in the minister except where Parliament,

in relation to a particular matter, has expressly decreed otherwise.

To accept the amendment would, in effect, be acting in a manner contrary to the expressed intention of Parliament in either past instances or in future cases, and I do not think the House would really want to do this. I think hon. members feel the House should be free to assign specific duties to particular departments in the legislation covering their particular jurisdictions, even though to some degree they relate to pollution, or pollution prevention and control, rather than vest the supreme, the overriding authority in this particular minister.

• (3:10 p.m.)

The intention, obviously, of the current bill is this: where pollution is the primary concern of Parliament, unless it is decreed that that particular matter shall be under the jurisdiction of some other department, it shall be under the jurisdiction of the new minister of the environment. I think that this is the type of provision which allows the House full freedom to make specific exemptions from the general control where, in its view, it is necessary. For that reason, the government would not wish to support this amendment.

Mr. Rose: Mr. Chairman, I was interested in the remarks of the President of the Treasury Board. I speak in support of the amendment, because it seems to me that one of the problems we face as Canadians is fighting this sinister force known as pollution that can, if left unchecked, destroy us all. I was interested in the minister's remarks about Parliaments of the future. Many of us are concerned in case our future is rather limited. It will be unless we actively, positively and ruthlessly do something to solve this particular problem. The battle against pollution has not been conducted in a comprehensive way because responsibility for pollution control is split among many levels of government, federal, provincial and, of course, municipal. Also, the responsibility is split among so many ministries at the federal and provincial level that the prosecution of offences and the correction of excesses is exceedingly difficult.

Some of us who are interested in this matter had hoped that the government intended designating the minister of the new department as the person with supreme responsibility in our country for the fight against pollution. We hoped that he was to be the veritable czar in matters of pollution. The public, I think, is concerned about pollution control. If we are to heed the public's justifiable concern over pollution, it seems to me that we ought to invest the minister with the power he needs to combat pollution at every level. Is the idea of a czar in the field of pollution control mere window dressing? If it is not window dressing, why cannot he be given the power he needs to combat pollution at all levels?

Mr. Baldwin: Mr. Chairman, I will speak briefly. I support the amendment wholeheartedly. In the past, the government has displayed a wishy-washy attitude towards pollution. Pollution has taken the place of motherhood; everybody is for it, so long as no one has to do too much about it. That has been the attitude of the government, as illustrated by the Canada water bill.

I think the problem we face has been set out precisely by the hon. member who moved the amendment. Jurisdiction in the field is divided. I know the President of the Treasury Board has said that Parliament has decreed otherwise. I think Parliament has decreed otherwise wrongly. This amendment is an attempt to rectify the situation, and would also make sure that pollution could be dealt with as a single issue by a single minister. As a matter of fact, I think that pollution ought to be a matter of discussion today, at the federal-provincial conference.

An hon. Member: It is.

Mr. Baldwin: Someone says that it is. How do we know that?

Mr. Drury: Mr. Chairman, I had expected to be asked to explain why the Minister of Fisheries and Forestry is not present today. The fact of the matter is that, right now, he is at the federal-provincial conference to discuss pollution.

Mr. Baldwin: Of course, he is over there to discuss pollution. But is he urging the provincial governments to agree with the federal government that the direction of the battle against pollution which threatens all humanity and all citizens of our country should be placed under a single administration? The pollution problems that we shall have to face in this country for a long time are the problems that peoples of all countries will have to face. Nevertheless, we have seen the government adopting a very wishy-washy approach to the matter. It is fine for the minister to talk about pollution; everyone loves to hear talk of pollution control. But what is the government doing to control pollution? There is before the committee a sensible amendment. I support it wholeheartedly. I hope the mild words I have spoken will induce some government members to support it as well.

Mr. Harding: Mr. Chairman, may I ask the President of the Treasury Board a question? Why has he specifically omitted the Northwest Territories and the Yukon area from the jurisdiction of the new minister?

Mr. Drury: Mr. Chairman, I think the answer is that we have not expressly omitted the Northwest Territories and the Yukon from the jurisdiction of the minister in pollution matters.

Mr. Harding: Mr. Chairman, although it seems to me that the government is determined to defeat the amendment, may I say this. It seems to me that the government will ignore the economic developments in the north and bypass the environmental problems of that area. I do not think there is any doubt about it, and the people of the area know this. For years, many environmental problems of that area have been ignored, and that is why there are no land use regulations today to control the current economic developments. It is true that those regulations may be introduced later. I submit that the failure to include one of the most vulnerable parts of our nation under this bill is a disaster.

On the other hand, if it is intended to include the area, let us make absolutely sure about it and do so specifically. If the government does not like my amendment, let it bring in some other appropriate amendment to cover the point I have been trying to make. Will the government bring in an amendment to cover the point I have been trying to make?

Mr. Drury: Mr. Chairman, if the purpose of the amendment is to ensure that jurisdiction in matters of pollution in respect of the Yukon and Northwest Territories is covered by this wording, the answer is, yes it is. If one says explicitly that this must include the Yukon and Northwest Territories, one would also have to say yes to a plea on the part of the representatives of Newfoundland for that province to be mentioned. And, if you are to include Newfoundland explicitly, what about Ontario?

Mr. MacEachen: Why not include Cape Breton?

Mr. Drury: I have received a representation about Cape Breton. Unless the hon. member feels that the Yukon and Northwest Territories are excluded, he perhaps will accept my assurance that they are included. They are not excluded, and the fact that they are not excluded does not seem to me to be a good reason to mention them explicitly.

Mr. Harding: Mr. Chairman, may I ask another question? If the minister does not want to mention the Northwest Territories and the Yukon area by name, will he include the land use regulations in the schedule which assigns environmental problems to the jurisdiction of the department?

Mr. Drury: Mr. Chairman, perhaps I did not get the exact significance of the question. Unquestionably, under this statute the co-ordinator, the man who has responsibility for pollution control, will have authority vested in him except in those areas where it is expressly vested in another minister.

Mr. Rose: Mr. Chairman, may I speak to that point, which is of concern to all of us. Responsibility for fighting pollution in various areas of Canada is vested in different ministers. The government gained much ground in dealing with Arctic sovereignty on the ground that the environment of that part of our country was particularly sensitive to the threat of pollution. Yet I see that responsibility for this particular area, according to the schedule, is not to be under the minister designated but will remain under the Minister of Indian Affairs and Northern Development. This is the kind of splitting up of jurisdictional responsibilities that worries us. We are concerned because it may mean buck-passing and people never really being certain who has responsibility for control in this very vital area. If the ecology of the area of the Arctic over which Canada has declared sovereignty is particularly sensitive, it follows that the ecology of the lands immediately south of that where a great amount of development will take place, often in the absence of any control, is equally sensitive. This area should also be covered by this bill. This is the whole point of the exercise.

The Chairman: Is the committee ready for the question? The question is on the amendment.

Amendment (Mr. Harding) negatived: Yeas, 17; nays, 39.

The Chairman: I declare the amendment lost.

• (3:20 p.m.)

Mr. McCutcheon: I wish to ask the minister one question. Why is meteorology included in subclause (d) of clause 5?

Mr. Drury: Mr. Chairman, I think the hon. member is as well aware as I am that meteorology, in the present state of the art, is principally concerned with the measurement of air movement and, to a lesser degree, air quality, as well as an attempt to forecast the weather. In this sense, it is merely a measuring rather than a control device. The apparatus we now have is not for the purpose of regulating, but merely measuring and forecasting. One of the agencies which will be largely concerned with these measurements and forecasts is the department of the environment. I hope it will be able to undertake measures designed to improve the quality of the air. In order to do this, there must, of course, be some great familiarity with the operation of the medium in which the department is interested.

Mr. Harding: Mr. Chairman, I have another amendment to clause 5. I move:

That clause 5 of Bill C-207 be amended by adding thereo next after line 37 on page 2 a new sub-section (h)
(h) pollution prevention and control

This is a new subclause, pollution prevention and control. The President of the Treasury Board objected to knocking out some of the phraseology in the bill presently before us. One way of partially getting around this problem would be to add this new subclause. The legislation would then directly state that pollution prevention and control would be under this department.

Perhaps this amendment will be more acceptable to the government. There is certainly nothing wrong with it. This is the reason for the establishment of the new department. The amendment will cover a lot of the sins omitted in the present legislation. I urge members of all parties to seriously consider this amendment. We need this provision in the legislation. We have enough trouble now with pollution. There is absolutely no reason why a simple amendment like this should not be accepted by the government.

Mr. Drury: Mr. Chairman, it will be seen from examining the bill that the words "pollution" and "pollution control" are not used. In Canada and elsewhere we are faced with the problem of precisely understanding what is meant by the term "pollution". It means different things to different people. In order to avoid this difficulty and still give effect to the purpose to which this amendment is allegedly directed, clause 5 (e) expresses this purpose, but in perhaps more precise terms. Clause 5 (e) reads:

the protection and enhancement of the quality of the natural environment, including water, air and soil quality;

I suggest to the hon. member that the responsibility vested in the minister covers a wider spectrum than words which are liable to a variety of interpretations, namely pollution and pollution control. I think that the object being sought by the hon. member is more than adequately covered in clause 5 (e).

Mr. Rose: Mr. Chairman, I was interested in the remarks of the minister. He stated how difficult it is to precisely define pollution and pollution control because it means different things to different people. I agree. If these terms are difficult to define in clause 5, why is the same phrase used at the end of clause 6 (a)? I invite the minister to tell the committee exactly what it means there. If the minister's argument is based on the difficulty of definition in one clause, he might have some further difficulties with the next clause. A definition within a bill is a definition. The minister is not very convincing.

The reason my colleague and I are interested in having this particular clause added to the bill is the same as we argued on the previous amendment. We would like to underline and emphasize the need to give the minister power under this bill to take the necessary steps. The minister is a reasonable man. I am sure he can prevail upon his colleagues to accept this reasonable amendment, especially after the explanation he has given and the one I have given in return.

Mr. Baldwin: Pretty optimistic.

• (3:30 p.m.)

Mr. McCleave: Mr. Chairman, the last speaker stole part of my message out of my mouth. Not only is it true that the phrase "control pollution" is used in clause 6(a), which is the next clause with which we shall be dealing, but the expression also appears at the end of clause 5(g). So obviously somebody thought when drafting this measure that it had some meaning that could be expressed in a statute. Therefore, I think the minister's argument falls by the wayside. No doubt upon reflection the minister will conclude that we should vote to accept the reasoned amendment to clause 5, as I intend to do.

Mr. Drury: Mr. Chairman, I must confess I was caught in ignorance as to the term "pollution". I can only suggest that fortunately in clause 6(a), to which reference was first made, it appears as an alternative or literation of the previous phrase "standards relating to environmental quality, or to control pollution", the suggestion being that these are essentially the same things.

I would have some hesitancy about accepting amendments of this character that are designed to emphasize powers which already appear in the act. As the hon. gentleman is well aware, drafting statutes is a rather esoteric art with which I am not too familiar. Grave mistakes can be made through light-hearted attempts to improve the language of the draftsman, and unless the powers outlined in the bill are sought to be changed, we should not really try to improve the drafting. I suggest to both hon. gentlemen who have spoken that clause 5(e) covers the point they are seeking to make, though in slightly different words.

[Mr. Drury.]

Mr. Rose: Mr. Chairman, I know the minister did not mean to suggest that because we were not shouting and pounding our desks our approach to this matter was light-hearted. On the contrary, some of us are very heavy-hearted when we look at this piece of legislation. It seems to me the minister suggested that this was an "either/or" proposition relating to environmental quality or to pollution control and they may be one and the same thing. On the contrary, those two phrases may mean something entirely different. If "pollution control" is difficult to define, it occurs to me that the minister would have difficulty in defining "environmental quality". If that had not been the case, I suggest there would not have been such an astonishing reluctance to assert the concept of national standards for water quality when we were debating the Canada Water Act.

I was also impressed with the minister's line of thinking that the members of this House should be reluctant to alter or to amend particular sections of a piece of legislation which had been drawn by, as I think he described them, esoteric experts in bill drafting. If that is the case, then why are we engaged in a clause by clause study? Perhaps we are just here to shout at one another.

Mr. Drury: Mr. Chairman, I was not suggesting that we are engaging in a fruitless exercise; I think I said unless it were desired to change in a material way the powers or authority granted by the bill, we should think twice about amending it. If an amendment seeks merely to emphasize a certain phrase or to make it clear, then I would have some hesitancy about accepting it. I suggested that clause 5(e) does confer the responsibilities and powers on the minister that the hon. gentleman has suggested in his amendment. We should hesitate before trying to make these powers clearer and look hard at the drafting problem. That is all I said.

Mr. MacDonald (Egmont): Mr. Chairman, I should like to make two points. I find the minister's argument against this amendment very weak. I would like to express to him some sympathy since I feel he has been placed in a most difficult position this afternoon, inasmuch as the minister who will be responsible for the implementation of the various aspects of this part of the bill is not in the Chamber. This is unfortunate for the quality of the debate and for our attempt to determine the best legislation possible.

The minister has made a number of arguments, some of which have been dealt with. A moment ago he suggested that if this matter is important it should be referred to someone outside the House. It seems to me that that approach is contrary to the way this institution operates. On the other hand, if the minister is arguing that the proposition is already covered by the bill, then I cannot see what his argument is all about. He seemed to indicate in another argument that perhaps it was taken care of under clause 5(e). I feel there is something fundamental involved here, and it is to that that I direct the attention of the committee for a moment.

Five, 10 or 15 years ago, a debate on the establishment of this kind of department would have seemed irrelevant

to the point of ridiculousness. It was not the thing then to be concerned about the future, or the possible non-future, of the environment. But in the last decade we have heard increasingly of the danger of pollution, so much so that now a great body of material has been written indicating that the natural resources of this earth are not inexhaustible, and certainly not those within our own jurisdiction.

There seems to be one attitude—perhaps this is the attitude reflected by what the government is about to do—that we should merely take some kind of band-aid approach to what is really a most basic problem. This approach to pollution is: "We will simply try and muddle through as best we can and dampen down the most glaring evidences of pollution that affect some aspect of our land, our water or our air". If the minister's attitude is being correctly reflected here this afternoon, there seems to be a willingness to adopt a kind of fire engine approach in which you rush in, put some water on the fire, and hope that everything will be taken care of, instead of having a positive desire to, in some instances, effect a very major restructuring of industries or undertakings that are continually contributing to pollution.

The minister indicated a few moments ago that it was very difficult to define what is meant by "controlling pollution". However, that is the phrase used in the bill. It may be that we are faced with some kind of good-guy approach and there will be an attempt to deal with the problems of pollution without causing too much sweat or getting too many people upset. That approach may satisfy some people but it certainly does not satisfy me, and I do not think it satisfies the hon. member who introduced this amendment.

I suggest that if we are serious about dealing with pollution, we must concern ourselves with preventive measures. We must, in many cases, get at the root cause of pollution, which in itself is a continuing problem. In the final analysis, if we are to make a major change in our attitude in this country, the emphasis will not be placed on controlling pollution, because that could mean anything. Certainly, it does not indicate the department is going to adopt the attitude of trying to eliminate pollution; it simply means that the department is going to involve itself in some way with pollution, which might amount merely to making some kind of report on a regular basis, or taking some other superficial or limited approach to the problem. If the commitment of this new department is, in effect, the eradication of pollution, then the word "prevention" must be in this bill. It is not just a question of semantics; it is a question of basic attitude.

• (3:40 p.m.)

If the minister feels, as he mentioned a moment ago, that there is an important question of interpretation and that there is a sophistication beyond this House in terms of drafting this legislation, then I suggest we should allow the clause to stand. I think this whole matter will have to be debated quite seriously at some stage, but in this instance at least if he feels there is a question which should be resolved by the law officers of the Crown, or whoever drafted this bill in its final form, surely we should allow the clause to stand. I do not want to put words into the hon. member's mouth, but I am sure the mover of this amendment would be quite willing to allow it to stand so that there could be sufficient consultation to clear up any difficulties and make sure it will not jeopardize any other legal aspect of the bill.

I suggest it will not be enough for this government to say: "Sure, this is what we mean. We are concerned with the eradication of pollution, or, we are concerned primarily with preventing pollution and that is the reason we are setting up this new department". Words from the minister or any other members of this House, if I may say so without disrespect to their own worth or sincerity, mean nothing. They mean nothing in so far as the legal interpretation of this bill is concerned. If we are serious, and if the government is serious, in eliminating, removing and preventing pollution, then clear-cut language has to be used in the establishment of this new department. I do not really think it is possible for the minister to pass the matter off by saying it is a question of definition or the problem is already covered in some sort of general way.

The essence of the commitment of this government and this department is, in fact, to eradicate pollution from this country. This is about as basic as anything can be in respect of the establishment of this department and in respect of dealing effectively with the growing problems of pollution in this country.

Mr. Harding: Mr. Chairman, I endorse the words of the last two members who spoke from this side of the House. Let me point out to the minister and the government that we are not here to harass them with amendments. We have done a lot of thinking about this problem. We have delved into this matter and we are convinced this amendment will tighten up the legislation. That is why we brought it forward. There is absolutely no doubt about the fact that the people of Canada want a good bill which will give the department the power to get at the pollution problems facing the nation. We are not certain about the wording of this bill and we have put a great deal of time and study on it. We are not convinced that it covers everything.

I am quite willing to let this amendment stand if the government wants to have a little more time to check it to find out how it will affect the other clauses of the bill. This debate may continue for a day or two and the government will have ample time to take up this matter with the appropriate staff. I have no objection at all to allowing this amendment to stand if that is the wish of the minister or the members of the committee. That would suit me just fine. Let me point out that last year we fought the Canada Water Act in the House. We were fighting for national standards and for the need for industry to recycle the effluent within the factory fences. What do we find now? Within six months after the bill passed the man who will be the new minister of this department travelled throughout Canada saying the very things we enunciated six, seven or eight months before.

The amendments we proposed in this regard were defeated by that group across from us.

We suggest that the government should not get into the same box it got into last year by turning down amendments that would help tighten the legislation. I again urge hon. members of the House to accept this amendment. If they will not accept it, at least they should take time to consider if for a day or two.

Mr. McGrath: Mr. Chairman, I should like to say a few words in support of what the hon. member has said. We find ourselves in the position today of having the President of the Treasury Board reject out of hand amendments that could very well meet with the approval of the minister who is responsible for the administration of this department. The President of the Treasury Board has indicated the reason for the absence of the Minister of Fisheries and Forestry, and it is a good and logical reason. His presence is required at the federal-provincial conference taking place in this city today. Notwithstanding that, this amendment could very well be held over until tomorrow. I make this suggestion seriously and honestly because in my view this is a very important amendment. I have an amendment which I hope will be accorded the same treatment.

I suggest to the President of the Treasury Board, and hon. members of the House, that we are very serious about this matter, particularly in the light of the experience we had with the Canada Water Act, as pointed out by my hon. friend. As suggested, sometime after the passage of that Act we found the Minister of Fisheries and Forestry going around the country enunciating the same positions we had taken. In fairness to the members of the committee who are serious about this matter, I suggest that the minister hold this amendment until the Minister of Fisheries and Forestry has had an opportunity to listen to arguments in connection with it.

Mr. Drury: Mr. Speaker, I think that the question is whether the present wording confers or does not confer certain powers on the minister. I feel as strongly as he does about the importance of the task in which he is about to engage. Whether he shares my satisfaction with the present wording, and believes it embraces all those responsibilities and powers, I do not know. Perhaps he should be here himself to express his opinion.

On the advice of the legal advisors, I continue to suggest that the authority being sought by the amendment is already included in the bill. In the interests of amity I would agree that we stand this amendment until the Minister of Fisheries and Forestry comes back to the House. I hope he will say the same thing.

The Chairman: Is it agreed that clause 5 shall stand?

Some hon. Members: Agreed.

Clause 5 stands.

Mr. MacDonald (Egmont): Mr. Chairman, I rise on a point of order. Since clause 6 relates to the same question, there might be some consequential amendments. I wonder whether we could not stand that clause as well, rather than get into a long debate we will have to repeat for the benefit of the Minister of Fisheries and Forestry when he returns.

Mr. Drury: If hon. members propose amendments, we might as well know what they are.

Mr. Harding: Mr. Chairman, I have an amendment which is not to clause 5 or to clause 6. It involves a new clause and I should like to refer to it at this stage because this is where it belongs.

The amendment I intend to move deals with the need for setting up an environmental council of Canada which would be an advisory body to assist federal and provincial governments on problems of pollution. I might add that this is the recommendation of the Science Council of Canada, and it seems to me that reference should be made to it in the bill. Again, I want to point out that if the government wishes to introduce an amendment of this type it would be fine with me. I do not care who brings it in as long as it gets into the legislation, because I think it is a very essential part of our fight against pollution problems throughout the nation.

• (3:50 p.m.)

I move, seconded by the hon. member for Fraser Valley West:

That Bill C-207 be amended by adding a new section 6 and renumbering the following sections:

6. The minister of environment shall create an environmental council of Canada whose task would be to:

(a) conduct and publish studies and forecasts of environmental problems in Canada

(b) make analytical reviews of environmental questions which are of public interest

(c) advise the federal and provincial governments in the area of pollution prevention and cleanup

(d) advise particular ministries of the interrelationship between resource development and environmental protection

(e) advise as to the need for specific environmentally-oriented research.

The Chairman: The Chair has listened to the amendment and I have some concern about its procedural acceptability. It would seem at first blush—and I may not be accurate in my initial assessment—that the amendment contains financial implications. The recommendation attached to the bill under consideration does not seem to anticipate covering the sort of charge that might follow the adoption of this amendment. But if hon. members, including the hon. member who moved the amendment, have advice for the Chair, I would be glad to hear it.

Mr. Harding: May I say just a word on this amendment. Possibly one way of overcoming the difficulty may be found by using the words "the minister of the environment shall consider creating". This is not the way I would like the wording to appear in the legislation, but I think it might get around the difficulty which you have indicated, Mr. Chairman. This wording would make the amendment eligible for discussion before the committee. We might even put in the word "may" so that the amendment would read "the minister of the environment may create an environmental council of Canada". This

might get around the technicality facing us. I would ask leave of the committee to make that change so that we can discuss the proposal because I think a very important principle is involved which should not be omitted from the legislation before us.

Mr. Baldwin: Mr. Chairman, I do not think we should try to find sin where it is not easily perceptible. There is nothing in the amendment that would in any way suggest the environmental council shall cause a charge to be levied on the Crown. It may well be that if the amendment were passed, the government would be faced with the responsibility of finding dedicated people, either within the public service or outside it, who would serve on this council. I think the Chair must find, as a condition precedent to saying that the amendment is not in order, that it actually contains a provision which would logically lead the Chair to believe that a charge will be made against the Crown. Putting it in reverse, without authority being granted in a statute, no funds can be provided in the estimates. This amendment does not purport to enable the government to pay anybody. As I said, the amendment may create some problems for the government in finding people who will serve on the council, but there is nothing in the amendment to suggest that money would have to be expended.

It is a dicey problem, comme ci comme ça. I suggest, however, that under these circumstances the Chair would be justified in accepting the amendment. There is a rule which provides that the Chair should be vigilant in trying to find an amendment is in order. However, unless an examination of the amendment reveals a clear direction which will result in a charge upon the Crown,—while we may be faced with some doubt as to what will be the result of the amendment—the amendment cannot be ruled out of order. It is not for the Chair to decide what the result of the amendment will be. The Chair must decide whether this amendment specifically provides for a charge. If it does not, I submit with great deference that it should be considered to be in order.

Mr. Drury: Mr. Chairman, I am filled with admiration for the deviousness of the Conservative House Leader. He is eloquent and articulate but unfortunately thoroughly unconvincing. I am sure he has had no more luck in convincing you, Mr. Chairman, than he has had in convincing me. Let me follow through with his inverted logic. If it is accepted that this amendment is in order and as a consequence does not impose a charge upon the Crown, this will then be a clear instruction to the minister to operate this particular section without there being any charge, otherwise he would be contravening the law.

Mr. Baldwin: Perhaps I will serve without charge.

Mr. Drury: To suggest that he will be able to have an effective council to advise not only him but also the general public and provincial governments at no cost to the Crown does not seem to me to be a reasonable proposition. We, as a House, could be well charged with endeavouring to legislate unrealistically, and we would not want to get into that position, I am sure, nor would the House Leader. While one should not seek reasons for finding an amendment not to be in order, I suggest this is one of the clear cases when, to be practicable, there would have to be a charge upon the Crown. If there were no charge upon the Crown, then the *modus operandi* would be unrealistic.

Mr. Baldwin: With regard to the substance of what the President of the Treasury Board said, may I point out that the government is receiving a lot of bad advice for which it is paying a lot of money. It would be interesting to see what it would do with advice for which it did not have to pay. It might be good advice for a change.

Mr. Jerome: I would just like to add briefly to the discussion the reference in May's 17th edition at page 551, subparagraph (13), which reads as follows:

> Amendments on new clauses creating public charges cannot be proposed, if no money resolution or ways and means resolution has been passed, or if the amendment or clause is not covered by the terms of the resolution.

The principle is clear that if an amendment changes the terms of the recommendation that is before the House—and certainly that would be the case in the present instance—it cannot be made. The citation continues:

> This rule, which is of fundamental importance, is fully explained in Chapter XXV and on page 803.

Accordingly, I would invite you, Mr. Chairman, to find that the proposed amendment clearly seeks to amend the terms of the recommendation, and therefore must be faulty.

• (4:00 p.m.)

Mr. Baldwin: Mr. Chairman, as usual the government spokesmen are several years behind the times. The precedent cited applies to the situation before the rules were changed when a bill of this kind had to be based on a resolution. As I say, that has been changed. Now, there is a recommendation from His Excellency. If this amendment were couched in such terms as compelled us to derive from it the clear impression that money must be paid, then obviously the recommendation must be amended. However, what the parliamentary secretary has said has absolutely no application to this situation. The citation applied prior to 1968 when the rules of the House were changed in this respect.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, the case has been argued so well and so effectively by others, especially by the hon. member for Peace River, that there is really nothing much I need to add. However, there have been two nonsensical statements from the other side of the House which I hope the Chair will ignore. The President of the Treasury Board suggests that if this amendment were passed it would be a clear instruction to the government to appoint counsel without paying them any money. It does no such thing. It calls for the appointment of the counsel, and makes no provision for any expenses, but that would not stop the government from putting an item in the estimates if it wished to do so.

The second nonsensical statement from the other side has, of course, just now been deflated by the hon.

member for Peace River. The requirement that an amendment must not go beyond the terms of the recommendation that we receive from the Governor General is only to the effect that it must not go beyond the money provisions of that recommendation. If the amendment now before the House does not in itself, involve the expenditure of money it is in no sense going beyond the terms of the recommendation that the Governor General attached to this bill. Indeed, all that appears in that recommendation, so far as this whole part of the bill is concerned, is these words, "to establish a department of the environment." I suggest, Mr. Chairman, that just as there have been other amendments seeking to enlarge upon or alter the terms under which the department of the environment would be operated, so, too, this one is in order.

I agree that the wording might be better if, instead of saying "shall create" it said "may appoint," but even if that change were not made, I still submit that the proposal itself does not directly involve the expenditure of money and should not be ruled out on that score. Rather it seems to me that this is an attempt to improve upon the conditions of the department of the environment, and therefore the amendment should be put so that the committee can vote on it.

Mr. McCleave: Mr. Chairman, may I add very briefly to the comments that have been made in rebuttal to what the parliamentary secretary has raised as a point of order. When one looks at the recommendation it is very brief in this respect. All it says is, "to establish a department of the environment." I suggest the parliamentary secretary is trying to say that the government should be allowed to give its interpretation of what those words mean, but that nobody on this side of the chamber is to be allowed to give an intepretation, or to move any amendments, motions, or what have you, with regard to the setting up of an important government department.

If one accepts his argument and takes it to its logical conclusion, then it would have very disastrous consequences for the operations of this committee and for the operations of the House of Commons. Therefore, I think Your Honour has no choice but to refuse such an argument coming from one in a junior ministerial position, and to assert that the practices and privileges of Parliament are quite something else indeed.

Mr. Jerome: With the greatest respect, Mr. Chairman, it is obvious that all three members who have spoken from the other side on this point of order have missed the basic point of the argument altogether. The point is that the wording of the recommendation, if one will refer to it just briefly, starts out with these very important words, "His Excellency the Governor General has recommended to the House of Commons the present measure—." These words surely make it abundantly clear that the recommendation of the Governor General is directly related to the provisions contained in the measure. He has examined the measure and he recommends "the present measure" to the consideration of the House.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Peters: Then, what is the point in having committee of the whole if you cannot move any amendments?

Mr. Jerome: Accordingly, it is clear that the Governor General's recommendation is related to the measure he is recommending to the House, and that the change which is proposed at the present time is, in fact, something that is added on, something that is not contained in the present measure by anyone's interpretation of that phrase. I cannot see how any member could argue the opposite position, that there could be any other meaning than that the Governor General has examined the measure and recommended it. I am sure hon. members would agree it would be sufficient for the Governor General to indicate, "His Excellency has recommended to the House the present measure," and that would be a sufficient and satisfactory recommendation for the purpose of our rules because it is related to the measure that is put before the House. Those words, "the present measure", circumscribe the recommendation that has been given by His Excellency. Accordingly, anything that is added—

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. Jerome: By all means.

Mr. Knowles (Winnipeg North Centre): Does he realize that what he is saying is that no amendments at all can be made?

Mr. Jerome: No, that is not so. Changes may be made to legislation put before the House that do not impose an additional charge on the treasury.

Mr. Baldwin: You are begging the question.

Mr. MacDonald (Egmont): Mr. Chairman, I do not want to get into details on the argument of whether or not this amendment would qualify under the old rules, but I think this discussion raises some very serious questions. We have made substantial changes in the rules of the House, and we have been very conscious of some of them in terms of dealing with money resolutions. But I think the attitude of the parliamentary secretary with respect to the interpretation of this particular amendment is obsolete and reactionary.

To adopt such an obsolete attitude with respect to amendments of this kind would prevent this chamber from making a proper contribution. I would agree that if this resolution is considered by the Chair to involve the expenditure of money, it would be out of order in terms of the old rules of the House. I think there is some debate as to whether it actually does involve that, but even if that is the case we must consider the importance of the decisions made in this chamber. The kind of precedent established here must not negate the principle that this House can make the kind of decision that is involved in the amendment put forward by the hon. member. In arguing against that principle the parliamentary secretary is adopting a most reactionary and obsolete approach, and is really arguing against this House being a viable chamber, able to make decisions of this kind. I really cannot understand his argument.

Mr. Peters: Mr. Chairman, I am shocked at the position put forth by the parliamentary secretary. What he is really saying is that no change can be made to the original proposal put to the Governor General and endorsed by him. I see the government house leader nodding his head. If that is so, Mr. Chairman, then you have a very serious decision to make. If that is really what is involved, Mr. Chairman, then you are now deciding whether or not there should be a Parliament at all. If that argument is sound all you need is the Governor General and the cabinet. No amendment whatsoever, money or otherwise, could alter the proposal put forward by them. In that case, all we could do would be to get down on bended knee and ask the minister if he would be prepared to take a recommended change to cabinet, and have cabinet ask the Governor General to endorse it. If that is the position, Sir, your responsibility is going to be very grave because you are really deciding whether or not this is a democratic institution which can make amendments if the majority of members agree.

• (4:10 p.m.)

Really, the decision that the parliamentary secretary is leaving up to you, Mr. Chairman, is whether the Parliament of Canada has the power to move an amendment after the Governor General has examined a bill. If you decide affirmatively, and support the parliamentary secretary, your decision, I submit, will mean that there is no Parliament at all. I suggest that that would be a very grave decision for you to make, Mr. Chairman.

Mr. Jerome: Mr. Chairman, apparently the discussion has come full circle. The first speaker on the other side conceded, and certainly the hon. member for Winnipeg North Centre conceded, that if the amendment imposed a further charge on the treasury, it would be out of order. It would contravene the rules.

Mr. Peters: But he did not say that any change would be out of order.

Mr. Jerome: I am addressing myself to a narrow point. The hon. member for Timiskaming has attempted to say that, according to my argument, no amendments are possible. That is ridiculous.

Mr. Peters: The parliamentary secretary is saying that.

Mr. Jerome: That is absurd. We are addressing ourselves to a question that I think is fundamental. Obviously, to judge from the remarks of the hon. member for Timiskaming, he does not know that it is fundamental. Two speakers from the opposition side have conceded that if the amendment proposes an extra charge on the treasury, then it is out of order. If we can start with that point and stick with it, then surely it would be sensible to attempt to understand the terms of the recommendation.

The argument brought forward was that since the recommendation, the fourth line of the paragraph, reads "to establish a department of the environment", hon. members opposite may establish the department in accordance with their taste. That power to do so is circumscribed by the ability to draw on the treasury, and that cannot be done without the recommendation of His Excellency. Also, there is a specific recommendation to be considered which is the subject matter of the discussion before the House. The limiting factor is His Excellency's recommendation. Since His Excellency has taken the trouble to say that he has examined the bill, his recommendation is obviously a fundamental part of the legislation and we are bound by it.

Mr. Peters: Mr. Chairman, many of us are becoming confused. There is confusion arising from the changed rules. We are using precedents that predate the new rules. That is one thing. The parliamentary secretary has again said that since His Excellency the Governor General has looked at the bill, the recommendation of His Excellency cannot be changed. We cannot dot one "i" or cross one "t" because, if we did, the Governor General would not have looked at the changed bill, and he may not have approved it if it had been changed in that way.

I make no argument about the financial resolution. I am merely arguing that if the parliamentary secretary's position remains that we cannot bring in amendments just because the Governor General has seen the bill, then there really is no Parliament.

Mr. Jerome: I was speaking of changes which pertain to charges on the treasury, period.

Mr. Peters: But the parliamentary secretary did not say that.

Mr. Jerome: Of course, I did.

Mr. Peters: If he did, it was not clear.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, this debate will make interesting reading. I hope the parliamentary secretary will read it and see what he said on at least two occasions. Earlier this afternoon he read the first line or two of the recommendation. This is what he read, "His Excellency the Governor General has recommended to the House of Commons the present measure...". Then he said, and he should have stopped there, that he has recommended this measure in this form; and, by having seen this measure and having recommended it to the House, that the House is circumscribed. We cannot do anything but accept what is in there.

My friend for Timiskaming was perfectly right. If that is the interpretation to be placed on the rule, we may as well quit the committee stage because no amendments are possible. You must take the bill the way it is introduced. That, however, is not the position. The position, so far as the Governor General's recommendation is concerned, is that we cannot exceed the financial aspect of that recommendation.

Mr. Jerome: That was exactly my point.

Mr. Knowles (Winnipeg North Centre): If that is the hon. member's point, I wish that he would state it and not go back to his other point, namely, that we cannot do anything because the Governor General has recommended

to us this measure. May I quote from Beauchesne's Fourth Edition, at page 216, citation 250. After discussing the limitations Beauchesne says:

This principle,—

This principle being that there cannot be additional expenditures.

—however, is apparently disregarded when the recommendation of the Crown is given to a resolution empowering the expenditure of public money which, framed in general terms, places no limitation on the amount of expenditure to be authorized by the resolution.

The resolution stage has gone, but we still have the recommandation. The Governor General's recommendation with respect to this bill is simply that we have authority to establish the department of the environment. That bit of the recommendation, Mr. Chairman, contains no reference about amounts of money. I say it is clear that we have the right to move amendments, and it is open for us to say in more detail what that department of the environment shall do. I still say that, in the over-all sense, a private member must avoid a motion which directly enlarges the expenditure of money. My friend for Kootenay West has avoided that. In his motion there is no proposal for the spending of money, and I submit that he is completely within the authority which says that a private member may propose amendments to a bill which add to its specifications and qualifications so long as they do not directly involve the expenditure of money. That is all that is involved in this procedure.

If you listen to the suggestion of the parliamentary secretary, that because the Governor General has recommended this present measure we are therefore bound by the limits of the measure, then of course you will get us into trouble. I submit that when this debate has been thoroughly digested, it will be seen that the weight of the argument comes down on the side of the hon. member for Kootenay West, and that he may move an amendment.

Mr. Jerome: Mr. Chairman, may I clarify my position, hopefully, for the last time. The only importance of His Excellency's recommendation for the purposes of this debate is that it is the limiting power. That is all it is. The recommendation limits us with respect to the financial provisions contained therein. I ought to have said this afternoon that we are limited by the recommendation in respect of the financial provisions contained therein. If I did not say the last words it was only because I thought it was totally unnecessary. Certainly, the recommendation limits the financial provisions; we are clear about that. We are arguing whether this amendment proposes an extra charge on the treasury and, if so, whether it is limited by the provisions of the recommendation and, therefore, out of order. The provisions of the recommendations, I say, clearly relate not just to the establishment of the department of the environment, but to the establishment of the department of the environment as set out in the measure to which His Excellency has given his attention. I am talking only in terms of the charge on the treasury and His Excellency's recommendation thereto. I say that the legislation is clearly circumscribed by the terms of his recommendation.

If we see that the amendment involves an extra charge on the treasury, it will be clear that the amendment is out of order. The establishment of some kind of council, staffed by human beings who must be paid, constitutes a charge on the treasury. It is as ridiculous for us to say that that new council would not be a charge on the treasury as to say that we could appoint a new cabinet minister to look after certain departments without remunerating him.

• (4:20 p.m.)

Mr. McCleave: Mr. Chairman, since I raised this particular point, perhaps I might be permitted to say a few words. I note that we have been joined by the Minister of Fisheries and Forestry. I presume he now shares the piloting of this part of the bill with the President of the Treasury Board. While we have engaged in a pleasant exercise with the parliamentary secretary, that knowing old fox, the President of the Privy Council, has been sitting quietly in his seat. The Minister of Fisheries and Forestry, who will be the minister of environment, may want some help. Will he tell his colleagues to cease persisting in niggling and haggling so that we can get on with the bill?

Mr. Haidasz: Mr. Chairman, in the same vein as the previous speaker, I should like to ask the future minister of the environment whether he would like to have a national advisory council on the environment. I note that in today's Order Paper there is a recommendation by the Governor in Council with regard to a clean air act for Canada. It recommends an advisory committee and other committees in connection with air pollution abatement. As it has been the practice of many departments to establish national advisory councils for certain problems, I wish to ask the minister whether it is the intention of the government to establish a national advisory council on environmental quality.

The Chairman: Before the minister answers the question of the hon. member for Parkdale, the Chair will deal with the amendment of the hon. member for Kootenay West and dispose of it at this time. Initially, I agree with and accept the advice of the hon. member for Peace River. He stated that we should not look for sin in these amendments. The Chair certainly agrees. I think it is a general philosophy that we expedite the work of the committee if we are not too technical when looking at amendments. Hon. members will agree the Chair has the responsibility, in so far as it is able, to apply the practices and precedents of the committee when questions such as this arise. I thank all members for their very helpful contributions.

With respect to the matter initially raised by the Chair, as to whether an additional or extra change will be imposed on the Crown if the amendment is passed, I think we must be realistic. The argument of the Parliamentary Secretary to the President of the Privy Council has some appeal. He stated that we cannot accept the suggestion that the enactment of an amendment such as

this, which would then become part of the statute, would not result in some charge being imposed on the Crown. I refer hon. members to the specific wording of the amendment. It would require the environmental council of Canada to conduct and publish studies and forecasts of environmental problems in Canada, make analytical reviews and advise the federal and provincial governments as well as particular ministries. If the council is charged with these types of responsibilities, an expenditure would be involved.

I agree with the argument made by several hon. members, including the hon. member for Winnipeg North Centre, that this sort of amendment might be in order. I am sure that hon. members are ingenious enough to draft an amendment along these lines that could very well be in order. As indicated by hon. members, the recommendation provides the authority to establish a department of the environment. Clause 3 reads:

There shall be a department of the Government of Canada called the department of the environment—

The Chair has to draw a distinction. It may be a fairly fine distinction. If it seems that the particular amendment fits within clause 3, which establishes the department, it would be in order. Having said that, the Chair must draw a distinction. This particular amendment moves too far away from the recommendation. It is in fact a substantive motion, not an amending motion, within the terms of the recommendation. It extends or enlarges the recommendation too much. I regret that I must rule the amendment out of order.

Mr. Rose: Mr. Chairman, we appreciate the thought which Your Honour gave to your ruling on the amendment proposed by the hon. member for Kootenay West. Your Honour invited the ingenuity of various members to substitute some other motion along similar lines which would be more acceptable to the Chair. I should like to do that now. I move:

That Bill C-207 be amended by adding a new Section 6 and renumbering the following sections:

6. The Minister of the Environment may appoint an Environmental Council of Canada whose task would be to:

(a) Conduct and publish studies and forecasts of environmental problems in Canada

(b) Make analytical reviews of environmental questions which are of public interest

(c) Advise the federal and provincial governments in the area of pollution prevention and cleanup

(d) Advise particular Ministries of the inter-relationship between resource development and environmental protection

(e) Advise as to the need for specific environmentally-oriented research.

The Chairman: Order, please. As the members of the committee will have noted, the amendment is in the same terms as that proposed by the hon. member for Kootenay West with the exception of replacing the words "shall create" with the words "may appoint". I suggest the effect is to make the amendment permissive. It may be closer to being procedurally acceptable. Without having made any decision, I would like to hear arguments on the point.

I invite hon. members to argue the procedural point. I ask hon. members to assist the Chair as to whether the amendment now before the committee which would permit the minister to appoint a committee would, if enacted, establish a financial obligation. Again, this seems to be a substantive motion which moves beyond the recommendation. I invite hon. members to assist the Chair on that point.

• (4:30 p.m.)

Mr. Baldwin: Mr. Chairman, I seemed to detect in your remarks that you might well be compelled, unless very significant and remarkable arguments were addressed to you that persuaded you to change your mind, to declare this amendment out of order. I do not think that was your intention, but on the assumption that it was I would suggest this to Your Honour and to the hon. member who moved the amendment.

We are here driven back to clause 3. In your remarks on the disposition of the last amendment, Your Honour referred to this clause and said that the recommendation provided for the establishment of a department of the environment. That is a pretty wide expression and lots of things can be included within such department. I draw to Your Honour's attention subsequent parts of the bill, such as Parts IV and V which deal with ministers of state and parliamentary secretaries. Those parts might well be called provisions for the relief of members of the Liberal party in the House of Commons. There is a looseness and flexibility there as to the numbers, just as there is in the expression "department of the environment".

Arguing from this, if the hon. member who moved the amendment were willing to consider a further amendment, he could substitute a new clause 6 to provide that the department of the environment may include an environmental council of Canada whose task would be, and then would follow subparagraphs (a), (b), (c), (d), (e) and (f). This might meet the case. I am using here the precise words of clause 3, which provides for the creation of a department of the environment. I am being fairly specific and saying that this department of the environment may include an environmental council.

I put this suggestion forward only in the event that Your Honour does rule this amendment now before the committee out of order. If the hon. member who moved the amendment were willing to accept such further amendment, then I submit it would be squarely within the very specific principles that Your Honour laid down in your previous remarks.

Mr. Jerome: Mr. Chairman, it seems to me appropriate only to comment on the new words that give the minister the option to bring this environmental council into being. As Your Honour has suggested, there may be the ingenuity on the other side of the House to bring this amendment before the committee in terms that you would find acceptable. The question therefore becomes: Is this an expression of that ingenuity, or has the hon. member for Peace River more accurately expressed what is in mind?

Your Honour having found the amendment out of order in its previous form, we have to address ourselves

only to the question whether it is out of order for the same reasons when it gives the minister the option to create this department. Giving the minister the option does not make that much difference, it seems to me. Once the minister did exercise his option we would run into the same problem. Therefore, the device of giving the minister an option is no better than making the creation of this department mandatory; you have the same evil.

Mr. Drury: Mr. Chairman, I am not sure that it is necessary to force upon you the necessity of making a ruling as to whether providing an option constitutes a charge on the crown or does not. I think it is well known that under a variety of general statutes the minister, subject to approval under the Appropriations Act, has the power to appoint advisers to himself. The basic purpose of this amendment is to provide for the setting up of a body to provide the minister with advice. The minister now has authority under other statutes to do this, as I say, subject to approval under the Appropriations Act. Therefore, it may be we are not giving him any authority he does not now enjoy, or will enjoy once the bill is passed. In any event, in either case, approval must be had under the Appropriations Act. I say that this general authority does exist and has been exercised in a number of cases.

I would ask—and perhaps the Minister of Fisheries and Forestry might reinforce this—whether it is wise at this point to specify in such detail the kind of body that should be set up to provide him with advice. I think it is probably more appropriate not to limit his freedom of action in this way, but rather to give him an opportunity, under the general authority that he has, to find from time to time the advisers he needs as he proceeds and as circumstances change. I am sure that he will have heard and accepted the representations being made here without it being necessary to include them in a statute which is not as easily amended or as flexible as the general authorities he presently exercises.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Chairman, first of all, on the question of providing an option for the minister to set up an environmental council of Canada and whether or not such action involves additional expense, may I point out that the amendment as proposed does not impose any additional cost on the crown other than the cost that the crown itself may decide to impose and has the power to impose. If the crown were to decide not to set up an environmental council, then that would be the crown's decision, of course. If it decides it will set up an environmental council and provides funds for so doing, then again that is a decision that the crown is making; it is not being made by this House. Consequently, it seems to me that no additional cost would be imposed upon the Crown if this amendment were accepted.

With reference to the point raised by the President of the Treasury Board, I might agree with him as to the specific terms of reference. It might be wiser either not to include them or to couch them in more general terms, but I do not think it is sufficient merely to leave to the discretion of the minister whether to have advisers. It is taken for granted that any minister will secure the advice of experts in his particular field. There should be set up an environmental council which would bring in not only experts but involve representatives of provincial governments, municipal bodies and the general public in one form or another in order to secure the participation of groups particularly concerned about pollution in Canada. It seems to me that this is a desirable step. All that this amendment is proposing is that the minister shall have the power to set up such a council if and when he deems it advisable to do so, and then only when he can persuade his colleagues to authorize the expenditure of money for that purpose.

If the President of the Treasury Board were prepared to accept an amendment that gives the minister the option of setting up an environmental council, if and when he is ready to do so and when his colleagues agree, then it might be possible to put the terms of reference in much more general form, or alternatively to omit any specifics except that the environmental council would embrace experts in the field and also encompass those organizations that have manifested their concern with regard to pollution of the environment.

• (4:40 p.m.)

Mr. McCleave: Mr. Chairman, I think the hon. member for Parkdale and myself almost brought the minister to his feet a few moments ago to answer this question. He may be able to prove to us that this is exactly what he wants, and therefore the whole argument would become excessive and academic. He may indicate that he plans to go ahead with the establishment of such a council as soon as the department is properly founded and he has had a chance to anchor himself in his ministry. I really think we should hear from the minister before Your Honour makes a pronouncement on this point of order.

The Chairman: I should very much like to hear from the minister if he wishes to address himself to the procedural point. I should also like to hear from other hon. members who wish to do the same. I suggest, with respect, that the hon. member for Halifax-East Hants may be leading the minister slightly away from the procedural point.

Mr. McCleave: He is pretty smart; he will not be led astray.

Mr. MacDonald (Egmont): On the procedural question, if Your Honour had any doubt as to the acceptability of this proposal it must have been completely dispelled by the remarks of the President of the Treasury Board. I thank him on behalf of all members of the House for removing what concern there might have been.

The parliamentary secretary suggested that various means were being attempted to circumvent the problem regarding the expenditure of money. I do not want to get off on this discussion now, but I think at some point we will have to look at this very seriously. We do not have a resolution stage anymore and recommendations are always of such a general nature that if we are going to continue to limit and live by what I think are the abso-

lute rules, we will greatly hamper the effectiveness of this place.

For one thing, we can no longer hold up supply in what was the traditional manner up to a year or two ago. We have substantially altered the rules in respect of the control of expenditure of money by this government. If we are to avoid downgrading the workings of Parliament even more, we must look at this whole question thoroughly and objectively. Perhaps, in the first instance, it should be referred to the Committee on Procedure, although at some point I think it must involve a debate in the whole House because it is a basic matter.

I felt the President of the Treasury Board had overcome all the problems your Honour must face this afternoon when he indicated that under the Appropriations Act there is provision for ministers to establish the kind of body envisaged by this amendment. In effect, we would not be asking for the expenditure of any money which is not otherwise provided for by statute.

If that is the case, and I take the President of Treasury Board at his word, there is no problem. The President of the Treasury Board has said consciously that there is no real procedural question here. We just have a question of substance and it might be quite useful, if your Honour rules in favour of this amendment coming before the House, to have the Minister of Fisheries and Forestry indicate his intentions in this regard.

The Chairman: If hon. members have completed their arguments on the procedural aspect, I might deal with the amendment proposed by the hon. member for Fraser Valley West. In my earlier remarks I suggested that the hon. member could no doubt draft an amendment which would be procedurally acceptable to the Chair and might very well fulfil the purpose of the amendment then before the committee. With great respect I think that, from the procedural standpoint, the hon. member really has not changed anything by changing the two words. The question seems to the Chair to be one of relevancy, and in turn the question of a financial provision.

The purpose of part I of Bill C-207 is to establish a minister and a department of environment. The purpose of the proposed amendment is to establish an environmental council of Canada, and it sets out the tasks to be assigned to this council. The question is whether the proposal contained in the amendment fits within the recommendation and part I of the bill. If they do fit, it would be acceptable because the authority is there.

The hon. member for Winnipeg North Centre when speaking to the first proposed amendment referred to citation 250(3) of Beauchesne's Fourth Edition. It would seem to me that if the proposed amendment is relevant and within the terms of the recommendation and of the bill, it would be acceptable. Because there is no limiting Provision in the recommendation in respect of the expending of public money, the amendment would be relevant if it fell within the terms of the recommendation and of the bill, and in that sense it should not be ruled out.

In this particular case, I regretfully have to rule out the amendment on the ground that it does not fall within the provisions of the recommendation or of the bill.

Mr. MacDonald (Egmont): Mr. Chairman, I should like to pose a question to Your Honour with regard to your ruling. In view of the remarks of the President of the Treasury Board, who suggested that such expenditure is already provided for under statute, why would an amendment of this nature be out of order on the basis of the provision relating to the expenditure of money already allocated, if only potentially, for a department and a minister of the government? It seems to me that Your Honour perhaps inadvertently failed to deal with that part. The President of the Treasury Board tried to help hon. members in this House deal with this amendment.

Mr. McCleave: Mr. Chairman, I think we should hear from the minister about what he plans to do. There was an indication on several occasions that he wanted to speak when questions were directed by the hon. member for Parkdale and myself. There is some indication that hon. members feel this environmental council is a pretty good thing. I placed a resolution directed at such a council on the record the other day, and I do not want to reiterate my remarks. Life would certainly be a lot easier if we had an indication that the minister was listening to some pretty responsible suggestions from this side of the House.

Mr. Davis: Mr. Chairman, I gather we are off the procedural point now and it might be appropriate for me to say a few words.

First of all, we need an advisory council and it is my intention to appoint one in the next few weeks. This will be an advisory council to the minister of environment, and it will be appointed shortly after the department is properly instituted under the law. It will be an advisory council to the minister similar in character to the Canadian Forestry Advisory Council which we established last year. We will also have an advisory council on fisheries.

I want to repeat that these are councils to provide advice to one minister, not to the Prime Minister or several ministers, and certainly not to the provinces. These were referred to in the motion that has just been ruled out of order. Many members have raised the bigger question as to whether we should have a national advisory council in the sense of a national environmental council much as we have an Economic Council of Canada. Such a council would certainly report to the Prime Minister and would be independent in many ways. It would have its own staff and so on. It would certainly cost more money. This may very well be desirable but I do not think we should deal with it in a bill of this kind, certainly not in a bill that deals specifically with one minister.

• (4:50 p.m.)

So, in brief, my answer again is that I will certainly be setting up an advisory council in the new department of the environment and doing so right away. However, I

think the bigger, longer term question of whether we should have a council akin to the Economic Council of Canada reporting at the highest level and reporting to the people of Canada, is another matter which should be dealt with under other legislation at another time.

Mr. McCleave: May I ask the minister whether he has cleared this with the Parliamentary Secretary to the President of the Privy Council?

Mr. Harding: Mr. Chairman, I should like to direct a question to the minister. There is no doubt that we desparately need a national environmental council, something that is outside the department, somebody that can do the research and can criticize government policies and programs, as well as give to the Canadians public information upon which they will be able to base value judgments so far as all environmental problems are concerned.

Most hon. members realize the absolute necessity of getting a group of experts to do the very job which I have just outlined. This is what we require. Since the amendment is out of order, I will suggest to the minister in all sincerity that he, himself, bring in an amendment to indicate to the Canadian people that we have an all-out attack going on pollution and that we are going to use every facet of information of which we can get hold. We are going to get top resource people in Canada to give us information and advice on how to tackle the problem. This will do a lot of good and will give people confidence that this government will, at long last, take action. I suggest that the minister give serious consideration to bringing in an amendment if he will not accept one from this side of the House.

Mr. Lundrigan: May I ask the minister a question which arises from the vagueness of clause 6. I have to relate back to clause 5 in order to preface my question properly. Clause 5 provides that the minister has certain duties and powers, but does not have any powers or jurisdiction by law assigned to any other department, branch or agency of the government of Canada. May I ask the minister, who will make the ultimate decision about pollution control in areas over which the minister of Indian Affairs and Northern Development now has authority, in areas covered by the Canada Shipping Act over which the Minister of Transport has authority and in areas over which the Minister of Energy, Mines and Resources has authority? Under clause 6, can we assume that this minister will have ultimate jurisdiction and control to undertake programs relating to those areas?

Mr. Davis: The common practice under the English parliamentary system, and certainly in the cabinets with which I am familiar, is that each minister is responsible for his own department and for the administration of statutes which fall within the ambit of that department. Where a subject is all-embracing, such as finance, for example, or in this case environment, and several departments, ministers and powers are involved, the reconciliation of any differences has to be made by the government as a whole in the cabinet and under the direction of the Prime Minister. The final decision rests with the Prime Minister, not with any one minister. This applies to finance and to any broad subject of great concern to more than one department.

Mr. Lundrigan: May I, therefore, conclude that the minister of the environment will not be the czar of environmental control in Canada? I want to be completely correct in my interpretation of what the minister said. If the Minister of Energy, Mines and Resources, who is looking with great envy across the aisle at the Minister of Fisheries and Forestry who now aspires to be minister of the environment, decided to set certain water standards, for example, in the Fraser Valley and the Minister of Fisheries and Forestry disagreed with him, would this matter have to go back to cabinet and be resolved there? Does the minister mean that he does not have an overriding responsibility for pollution control?

Mr. Davis: Not at all, Mr. Chairman. The Minister of the Environment will have authority in so far as pollution standards are concerned, as well as their enforcement. There may be matters which may overlap. For example, the Minister of Energy, Mines and Resources may consider an application to drill for oil on the Grand Banks. In that case a mechanism exists already to ensure, for example, that the new department of environment will not only be fully consulted but will have a veto in instances where it decided that this will have an unfavourable effect on the environment. I think that consultation between departments is not only desirable but inevitable. I am sure the hon. member is not suggesting that the minister of the environment will always be able to overrule the Minister of Finance, for example. There has to be consultation and reconciliation.

Mr. Rose: I see we have about two minutes left and I will make my question to the minister very brief and to the point.

I listened with interest to the minister's support for an advisory committee on the environment. He suggested that this advisory committee would be a private body reporting to his department alone. He appeared to be pointing out that this was one of the benefits or advantages of this kind of arrangement. May I point out that it certainly defeats the amendment proposed by my friend, the hon. member for Kootenay West. People on this side of the House are concerned with the kind of structural set-ups that report privately to the government. We have an example of this in consumer affairs. If I had more than a few minutes time, I could go on to list others. I think that if you look down the various points in these amendments, the first being to conduct public studies, you would find that we cannot get information on pulp mill pollution in B.C. because that kind of information goes directly to the minister. It is not available to the public.

May I ask whether the minister is turning down the formation of an environmental council of Canada which would report publicly?

The Chairman: Order, please. It being five o'clock, shall I rise, report progress and request leave to sit again later this day?

Some hon. Members: Agreed.

Progress reported.

• (5:00 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Selkirk (Mr. Rowland)—External Affairs—suggestion by Somalia respecting elimination of trade with South Africa; the hon. member for Regina East (Mr. Burton)—Airports—Regina—Meetings with city regarding sale of city-owned property; the hon. member for Fraser Valley West (Mr. Rose)—External Affairs—Proposed oil pipeline from Prudhoe Bay to Valdez, Alaska—consultation with United States authorities.

It being five o'clock p.m. the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, public bills.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, in order to expedite the conduct of business during this hour, I wonder if I might point out that on the order paper there are several bills in the names of private members having to do with changes in the names of their respective constituencies. The most recent of those was introduced yesterday. It was thought that since all of these fall due to be considered in this hour today, the best possible arrangement would be to gather all such bills together to be processed in this house and, unless anyone has any objection, to seek the unanimous consent of the House that those bills receive second reading, committee of the whole procedure, and be passed, so that they could be disposed of during this hour. I would ask the unanimous consent of the House to proceed in that manner.

The bills proposed to be dealt with in this way are Bill C-21 in the name of the hon. member for Lakeshore (Mr. Robinson); Bill C-83 in the name of the hon. member for Bonaventure (Mr. Béchard); Bill C-88 in the name of the hon. member for Surrey (Mr. Mather); Bill C-178 in the name of the hon. member for Beauharnois (Mr. Laniel), and Bill C-223 in the name of the hon. member for Bourassa (Mr. Trudel).

The Acting Speaker (Mr. Richard): Does the House give unanimous consent to the suggestion made by the parliamentary secretary?

Mr. David MacDonald (Egmont): Mr. Speaker, it is not my purpose to withhold unanimous consent, but I do want to make one comment. Speaking as one private member and one backbencher, it seems to me we have done very little to regularize a way in which we might deal effectively with private members' public bills during private members' hour.

The argument put forth by the parliamentary secretary is that because these are not substantial measures, as I understand it merely involving the changing of names of constituencies, they are measures, that can be disposed of easily. I would say it is becoming increasingly important that the bills put forward by private members on both sides of the House be effectively dealt with in some fashion so that there is a resolution of them, whether they come to a vote or be referred to a committee. But at the present time, as one member who had a bill debated here recently, one on which all hon. members agreed to the principle, only to see it talked out, I find this practice increasingly offensive to the effectiveness and the utility of private members' hour.

While I will not stand in the way of giving unanimous consent today, I serve notice on the government that if this practice of talking out private members' bills continues, and a better way of dealing with them is not found, I for one will prevent unanimous consent being given in the future.

Mr. Jerome: Mr. Speaker, I wish to comment just briefly on that. Perhaps the hon. member would be well advised to co-ordinate his efforts with those of his House Leader who is doing quite an adequate job on that matter. In fact, only as recently as this morning, he discussed that matter with the other House Leaders to see if a referral could be made of this subject to the Committee on Procedure.

Mr. MacDonald (Egmont): Mr. Speaker, on a question of privilege, I resent the inference by the parliamentary secretary that in some way I have been advised, or other members of the House have been advised, of the meetings of a committee which I understand is still meeting. Until that committee makes its recommendations and this House takes a decision on them, I take the view that we have evolved no regular procedure for dealing with private members' bills. In fact, I think we have adopted a very sloppy procedure. I have agreed to it today, but only on the understanding that I will not do so in future unless definite action is taken with respect to private members' bills.

The Acting Speaker (Mr. Richard): Order. I just make the simple comment that I do not think we will improve the situation by a discussion at this time. I speak as one who would like to see the return of the arrangement whereby there was a whole day devoted to private members' business.

Mr. McGrath: Those were the days, Mr. Speaker.

The Acting Speaker (Mr. Richard): Is it agreed that Bills C-21, C-83, C-88, C-178 and C-223 be read a second time and referred to committee of the whole?

Some hon. Members: Agreed.

Public Bills

PRIVATE MEMBERS' PUBLIC BILLS

SECOND READINGS

Bill C-21, respecting the Electoral Boundaries Readjustment Act.—Mr. Robinson.

Bill C-83, respecting the Electoral Boundaries Readjustment Act—Mr. Béchard.

Bill C-88, respecting the Electoral Boundaries Readjustment Act—Mr. Mather.

Bill C-178, respecting the Electoral Boundaries Readjustment Act—Mr. Laniel.

Bill C-223, respecting the Electoral Boundaries Readjustment Act—Mr. Trudel.

ELECTORAL BOUNDARIES READJUSTMENT ACT—MEASURE TO CHANGE NAME OF CONSTITUENCY

The House in committee on Bill C-21, respecting the Electoral Boundaries Readjustment Act—Mr. Robinson—Mr. Richard in the Chair.

Clause 1 agreed to.

Preamble agreed to.

The Acting Chairman (Mr. Richard): Shall the title carry?

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I wonder if at least in each case we could have the sponsor of the bill tell us what the new name of the riding is to be. Some people read *Hansard,* and might like to know what we are doing in this expeditious way.

Mr. Deachman: Mr. Chairman, I rise on behalf of the hon. member for Lakeshore, at his request, to deal with this bill this afternoon. The purpose of the bill is to change the name of the electoral district of Lakeshore to that of Toronto-Lakeshore.

Mr. McGrath: Where is Toronto?

Mr. Deachman: As the member for Vancouver-Quadra, I can only give you the vaguest kind of general idea where the city of Toronto is situated.

Title agreed to.

The Acting Chairman (Mr. Richard): Shall I report the bill?

Mr. MacDonald (Egmont): On a procedural question, Mr. Chairman, are we taking these bills seriatim, or are we taking them altogether?

Mr. Jerome: No, one by one.

Mr. MacDonald (Egmont): Inasmuch as this and the succeeding bills provide for a change in constituency names, and considering the likelihood that we are not that far away from another general election, I wonder if somebody on the government side of the House could indicate if there will be sufficient time for the Chief Electoral Officer to incorporate these amendments into all the various constituency materials that must be provided by him in the effective discharge of his duties? I think we will be creating some very serious problems if we agree to something if there is not enough time to fully implement the change by the time of the next election.

I assume somebody on the government side has cleared this up with the Chief Electoral Officer, and that the changes can be fully implemented before the time of the next election. If that is not the case, we may be creating more problems than we are solving.

Mr. Jerome: Mr. Chairman, it is never possible to predict with accuracy when the next election will take place, but we do have the assurance of the Chief Electoral Officer that it will probably be possible to do all that is necessary before the next election.

Mr. MacDonald (Egmont): How much time is required?

Mr. Deachman: We have until the spring of 1973 according to the constitution.

The Acting Chairman (Mr. Richard): Shall I report the bill?

Some hon. Members: Agreed.

Bill reported.

ELECTORAL BOUNDARIES READJUSTMENT ACT—CHANGE IN NAME OF CONSTITUENCY

The House in committee on Bill C-83, respecting the Electoral Boundaries Readjustment Act—Mr. Béchard—Mr. Richard in the Chair.

On clause 1—*Bonaventure-Îles-de-la-Madeleine.*

[*Translation*]

Mr. Béchard: Mr. Chairman, the purpose of Bill C-83 is to change the name of the electoral district of "Bonaventure" to that of "Bonaventure-Îles-de-la-Madeleine". Doubtless, I will be allowed to make remarks somewhat more elaborate than those of the members who spoke before me because of the importance of this change to my electors of the Magdalen Islands.

It will be remembered, Mr. Chairman, that after the government of the Right Hon. Lester B. Pearson set up an independent commission to revise electoral boundaries, an act of parliament did away, on the electoral map, with the riding of the Magdalen Islands as a separate entity. At the same time, said act bound the territory formerly and until then occupied by the Islands to the riding of Bonaventure.

That decision of the Canadian parliament, Mr. Chairman, was very much resented by the Madelinots at the time, and I am not ready to say that the wound has healed yet. I understood, and I still do today, the normal attitude and reaction of the people of Magdalen Islands.

Indeed, I think the Magdalen Islands should get special treatment, considering their various distinguishing traits.

Firstly, they are isolated, being located and lost in the middle of the Gulf of St. Lawrence, 175 miles from Gaspé and Bonaventure and 100 miles from Prince Edward Island. Secondly, fishing is their only source of revenue. Thirdly, it is quite difficult to get to Magdalen Islands in all seasons, more so in winter when, for

instance, the hon. member for Bonaventure who lives in the western part of Bonaventure cannot easily get there on account of the precarious air and maritime transportation between Bonaventure and Magdalen Islands. Besides, air services between Gaspé or between Prince Edward Island and Magdalen Islands are extremely hazardous in winter because of frequent and severe storms. Fourthly, the insular mentality of the people of Magdalen Islands is necessarily and inevitably different.

It is easy to realize that the Îles-de-la-Madeleine must be dealt with in a special way, and we understand thus the vigourous reaction of its citizens regarding the disappearance of the riding which had been established since 1947, under the Electoral Boundaries Act.

The Îles-de-la-Madeleine have had most distinguished representatives. The first one was the father-in-law of the hon. member for Sherbrooke (Mr. Gervais), the hon. Charles Cannon, Justice of the Quebec Superior Court; the second one was the ex-member for Gaspé, Mr. Russell Keays; the third one, no less distinguished, was the hon. Maurice Sauvé, and since the Îles-de-la-Madeleine are linked up with Bonaventure, I have the great honour of representing the Madelinots, whom I esteem deeply.

It was specially in recognition of these characteristic features of the Madelinots and of their almost unique needs that Parliament has established, in 1947, an independent riding called "Les Îles-de-la-Madeleine".

From this time on, the Madelinots have felt more secure, having their own representative, their own member of the House of Commons, to look after them only and to deal with their problems, without having to deal with situations foreign to the Îles-de-la-Madeleine, as had been the concern of the member for Gaspé, and as it is for the member for Bonaventure.

• (5:10 p.m.)

Mr. Chairman, one must understand those feelings which are not only those of the citizens of the Îles-de-la-Madeleine but of all Canadian citizens, from Vancouver to Saint Johns, Newfoundland. So, from that time, the Madelirots were sure of having their own representative whose feelings were not divided.

That is why they reacted strongly when the riding disappeared, as they were losing, or so they thought, their real representative, their personal representative with the federal authorities. As the reason given for this change was that the population of the Islands was not large enough, it has appeared impossible, at least until now, to modify the situation and to give back a representative to the Îles-de-la-Madeleine Islands. So, this problem will be dealt with at the next census. The least that can be done for the Islands now, is to grant them some identity by adding the former name of their riding to that of Bonaventure.

The new name I am proposing is more in keeping with the geographic reality of my riding, and will enable to avoid much confusion while at the same time reflecting the pride of my Island electors who have joined my electors from Bonaventure since 1968.

So, I ask the House and the Committee to support this amendment, for which the citizens from the Islands and their representative will be forever grateful.

[*English*]

Mr. MacDonald (Egmont): Mr. Chairman, I shall speak for a moment only because I realize that two or three other bills are to follow. I think it is ironic that the hon. member whose bill is before the House is the very individual who, two or three weeks ago, talked out my private members' bill. That only shows how inadequate is our method of dealing with bills arising in private members hour.

Some hon. Members: Shame.

[*Translation*]

Mr. Béchard: I wish to inform the hon. member that I have never spoken until 6 o'clock on a bill designed to change the name of his constituency.

[*English*]

Mr. MacDonald (Egmont): Mr. Chairman, it is not my fault if the hon. member has a bad memory. If he looks at the record he will discover that he was the last speaker on that occasion.

Mr. Béchard: On a point of order, Mr. Chairman. I think the hon. member did not understand what I said. I said that I have never talked out a bill sponsored by the hon. member to change the name of his riding.

Mr. MacDonald (Egmont): Mr. Chairman, my bill was not for changing the name of my riding. It dealt with the abolition of corporal punishment. I will not deal with that now. Obviously, that is not the purpose of this bill. The purpose of this bill is to change the name of the hon. member's constituency.

He has pointed out the most difficult problems encountered in this area, the greatest being the effect of redistribution on an area which originally was represented by its own Member of Parliament. Its status was altered and, in the redistribution of ridings which came into effect in the 1968 election, Îles-de-la-Madeleine was joined with a constituency on the mainland of Quebec.

I realize that the parliamentary secretary has been suggesting that he has presented a simple matter for the consideration of the House. However, as the hon. member conceded in speaking to his own bill, substantial problems must be considered. Îles-de-la-Madeleine has such a small population, when compared with the average size of constituencies, that it was not possible in the view of the boundaries readjustment commission which met, I think, in 1965 and 1966, to establish the area as a separate constituency. Yet it is quite obvious that the interests and concerns of the people of Îles-de-la-Madeleine are different from the interests and concerns of those who live in the mainland of Quebec. I say this because I come from Prince Edward Island. We have a number of close ties.

The hon. member spoke of a lack of airline communication between Îles-de-la-Madeleine and the rest of his riding. There is direct communication from Prince

Edward Island to Îles-de-la-Madeleine and, as well, there is communication by boat. I think, when the boundaries commission meets again, that it will need to take into consideration the distinctly different case of a settlement of people that is far removed physically and, perhaps, culturally, linguistically and economically from the rest of the riding.

I am not in any way trying to take away from the abilities of the hon. member to adequately represent those two areas. I am merely saying that it must be very difficult, if not impossible, for him to give effective representation to the entire Îles-de-la-Madeleine area under the present distribution of constituencies. Perhaps when the commission meets again, and quite likely this will be after the census returns have come in this year, they will have to take into account the problems and remarks of the hon. member. He has here, this afternoon, indicated the difficulties that the people of Îles-de-la-Madeleine have experienced since 1968 in being effectively or adequately represented in the House. Their difficulties stem from the fact that they live in a part of the country which, generally, does not share with them a number of common interests. This is a very grave problem and I do not think it will be solved simply by changing the constituency's name. That will save face, I suppose, but I do not think that such action will really deal with the essential problem.

Mr. Bell: Mr. Chairman, may I ask the hon. member who has just resumed his seat a question. Since the sponsor of the bill is disturbed, does the hon. member not think it might be worth while considering moving Îles-de-la-Madeleine from the jurisdiction of the province of Quebec to the jurisdiction of the province of Prince Edward Island?

Mr. MacDonald (Egmont): Mr. Chairman, certainly there is a high degree of economic relationship between Îles-de-la-Madeleine and Îles-de-Prince-Edouard. Both communities, too, contain French speaking populations which are not in the main stream of the French speaking population of Quebec. For a number of years there have been close transportation links. There was a good deal of personal contact between these two places. While we do not want to get into questions involving the constitution, in view of the mutual affinity that seems to exist between Îles-des-Madeleines and Îles-du-Prince-Edouard, it might be well if these two areas could come together in a much more realistic way politically and economically, as well as from the transportation point of view.

• (5:20 p.m.)

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

[Mr. MacDonald (Egmont).]

ELECTORAL BOUNDARIES READJUSTMENT ACT—AMENDMENT TO CHANGE NAME OF CONSTITUENCY

The House in committee on Bill C-88, Respecting the Electoral Boundaries Readjustment act—Mr. Mather—Mr. Richard in the chair.

On clause 1—*Surrey-White Rock*

Mr. Mather: Mr. Chairman, I rise to say a few words in support of Bill C-88 to change the name of the constituency of Surrey to Surrey-White Rock.

My constituency is in the deep southwest of this nation. It comprises the municipality of Surrey, the largest municipality in British Columbia, and includes the very beautiful small city of White Rock. The city of White Rock is singular in climate and, in some degree, of location to the south coast of France or the Costa del Sol in Spain. It is an admirable section of the constituency of Surrey.

The intent of the bill is to give a better geographical expression to parts of the riding of Surrey by changing the name of the constituency of Surrey to that of Surrey-White Rock. This will in no way reduce the recognition of the very important municipality of Surrey. It will give better recognition of the importance of the city of White Rock.

Clause 1 agreed to.

Bill reported.

ELECTORAL BOUNDARIES READJUSTMENT ACT—CHANGE IN NAME OF CONSTITUENCY

The House in committee on Bill C-178—Mr. Boulanger (for Mr. Laniel)—Mr. Richard in the Chair.

On Clause 1.

[*Translation*]

Mr. Boulanger: Mr. Chairman, I rise on behalf of my colleague, the hon. member for Beauharnois (Mr. Laniel).

I should like to take this opportunity to wish a quick recovery to the Deputy Chairman of Committees of the Whole House, the hon. member for Beauharnois, who had an accident.

The purpose of the bill under discussion is to change the name of the electoral district of "Beauharnois" to that of Beauharnois-Salaberry. On the request of the hon. member for Beauharnois, the motion for concurrence in this bill is seconded by the hon. member for Saint-Jean (Mr. Smith).

The name "Salaberry" is a historic name in that region, and this is where the famous battle of Chateauguay took place.

The use of the name "Beauharnois" raises a problem, because people seem to believe that the boundaries of the riding do not extend as far as Huntingdon, Chateauguay, while the electoral district of Beauharnois includes both sectors.

By saying only "the hon. member for Beauharnois", one never knows whether the federal member or the provincial member is involved.

Therefore, I am pleased to ask the hon. members, on behalf of the hon. member for Beauharnois, to pass Bill C-178.

[*English*]

Mr. Bell: Mr. Chairman, we are very happy to give our approval to this change. We have listened to the very appropriate words of the sponsor of this bill and the amiable manner in which he brings matters forward. We have already indicated that we will pass this bill without too much debate. I would like to have the assurance of the sponsor of this bill that when opposition members have private bills they will be passed without too much discussion, and certainly not talked out. Will the hon. member promise that he will give the same co-operation and try to have his colleagues do the same?

Mr. Boulanger: I am glad to answer the opposition whip. To show that I am bilingual, I will answer in English. It will be a pleasure to assist in passing bills to change the name of a constituency. The hon. member can count on my support.

[*Translation*]

Clause I agreed to.

Preamble agreed to.

Bill reported.

ELECTORAL BOUNDARIES READJUSTMENT ACT—CHANGE IN NAME OF CONSTITUENCY

The House in committee on Bill C-223.—Mr. Richard in the chair.

On clause 1.

Mr. Trudel: Mr. Chairman, this is a bill to change the name of the constituency of "Bourassa" to "Montreal-Bourassa".

For quite some time now, the provincial county and the federal constituency have borne the same name of "Bourassa", which creates a lot of confusion among people.

Furthermore, since Quebec's current premier is called Bourassa, people wonder whether it is the electoral constituency of that name, or that which is represented by the premier of Quebec and which is called Mercier. Therefore, we are always wondering what exactly we are talking about. That is why a request was filed to change the name of this constituency to "Montréal-Bourassa".

• (5:30 p.m.)

Furthermore, to do justice to that part of the population of Montreal residing in the constituency of Bourassa, we felt like the other members from the Montreal area that we should add the word "Montreal" to the name of the constituency of Bourassa since that part which is in the city of Montreal accounts for approximately 40 per cent of the entire constituency.

Therefore, I ask the committee members to be so kind as to approve this change in name to eliminate any future misunderstanding.

The Acting Chairman (Mr. Richard): Shall clause 1 carry?

[*English*]

Mr. Skoberg: Does the hon. member agree that it may be easier to change the present premier of Quebec rather than change the name of the constituency?

[*Translation*]

Mr. Trudel: Mr. Chairman, I believe this item was not on the agenda of the Prime Ministers' conference. I wonder whether, by unanimous agreement of the committee of the whole, we could not ask the premier of Quebec to withdraw. I shall however pass on to him the representations of the hon. member for Moose Jaw and shall personally inform him of the reply.

Clause 1 agreed to.

Preamble agreed to.

Bill reported.

[*English*]

Mr. Peters: Mr. Chairman, on a point of order, seeing that the House has been so co-operative and amiable this afternoon I wonder whether it would give unanimous consent to changing the name Témiscamingue to Quebec Nord-Ouest, since this is also causing difficulty.

Mr. Boulanger: Mr. Chairman, I have a problem similar to that of my colleague. My riding is Mercier, which is also the provincial riding of Mr. Bourassa, the Premier of Quebec. I sometimes receive personal letters addressed to "The member for Mercier", and I know from the way they are written that they are not addressed to me, but rather, to Mr. Bourassa. I should like the same thing to be done in my case.

Mr. Peters: Mr. Chairman, I would be agreeable, if the rest of the House is, to changing the name of Témiscamingue riding to Quebec Nord-Ouest.

Mr. Jerome: Mr. Chairman, it is only with the deepest regret that no such bill is before the House; otherwise, we would be only too happy to give the matter consideration.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, in view of all these suggestions about name changes, may I say that I am quite happy with "Winnipeg North Centre".

Mr. Jerome: But are they happy with you?

Mr. Bell: Mr. Chairman, since we had such a productive afternoon, and I do not think there is anything else on the agenda—

Mr. Jerome: Third reading.

Mr. Bell: Yes, I am sorry.

Public Bills

The Acting Chairman (Mr. Richard): I think it is time for the Chair to resume ordinary business.

Bill reported.

The Acting Speaker (Mr. Richard): When shall the said bills be read the third time? By leave, now?

Some hon. Members: Agreed.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council) moved the third reading of the following bills:

Bill C-21, respecting the Electoral Boundaries, Readjustment Act—Mr. Robinson.

Bill C-83, respecting the Electoral Boundaries Readjustment Act—Mr. Béchard.

Bill C-88, respecting the Electoral Boundaries Readjustment Act—Mr. Mather.

Bill C-178, respecting the Electoral Boundaries Readjustment Act—Mr. Laniel.

Bill C-233, respecting the Electoral Boundaries Readjustment Act—Mr. Trudel.

[*Translation*]

Mr. Béchard: I want to say a few words to thank the House and my colleagues for the courtesy they have shown towards the citizens of the Magdalen Islands and their representative.

[*English*]

Motion agreed to and bills read the third time and passed.

* * *

BUSINESS OF THE HOUSE

Mr. Jerome: Mr. Speaker, if I may deal with the business of the House for this evening before we call it six o'clock, the government proposes to deal at eight o'clock with the Indian Affairs reference on the Order Paper, followed by Bill S-4, the New Zealand trade measure and then Bill S-2, the statistics measure. From consultations had with hon. members opposite it is anticipated that there will be little or no debate on these measures. The House will then go to Bill C-184, the Export Development Act.

Mr. Knowles (Winnipeg North Centre): Six o'clock.

The Acting Speaker (Mr. Richard): Does the House agree to call it six o'clock?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Richard): I do now leave the chair to resume same at eight o'clock p.m. Once again may I suggest to hon. members that they might consider my suggestion that instead of wasting unfinished half hours of their time, as has been the case today and recently, it could be much more logical to discuss their business for a full day on Mondays.

At 5.35 p.m. the House took recess.

[Mr. Bell.]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

REFERENCE OF CERTAIN ANNUAL DEPARTMENTAL REPORTS AND SUBJECT OF ARCTIC ICEBREAKER SERVICE TO STANDING COMMITTEE

Hon. Jean-Luc Pepin (for the President of the Privy Council) moved:

That the following matters be referred to the Standing Committee on Indian Affairs and Northern Development;

1. The annual report of the Department of Indian Affairs and Northern Development for the year ended March 31, 1968 and the evidence adduced by the committee in its consideration thereof during the twenty-eighth Parliament;

2. The annual report of the Department of Indian Affairs and Northern Development for the year ended March 31, 1969;

3. The subject matter of Arctic icebreaker service; and

That during its consideration thereof the committee be empowered to adjourn from place to place within Canada.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I believe these terms meet the request of members of the committee and we are happy to agree to this motion.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I would just add that while the committee has a very wide bill of fare here, I hope it will not neglect to look at some of the problems raised fairly recently involving the question of logging in Wood Buffalo Park and—

An hon. Member: And the Peace River dam.

Mr. Baldwin: You took the words right out of my mouth. I had in mind the very deteriorating effects on the Mackenzie River system as a result of the stupidity of a previous government allowing this dam to be built. My hon. friend goaded me into saying that. These are questions that have been raised and I know that the committee, which is very dedicated in its duties, will look at these problems.

Motion agreed to.

* * *

NEW ZEALAND TRADE AGREEMENT (AMENDMENT) ACT

PROVISION FOR APPROVAL AND COMING INTO FORCE

Hon. Jean-Luc Pepin (for the Secretary of State for External Affairs) moved that Bill S-4, to implement an agreement amending the trade agreement between Canada and New Zealand, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I should like to say a few words on third reading of this bill to amend the Canada-New Zealand—

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. We are at the report stage now. Is any debate allowed, if there is no amendment?

Motion agreed to.

Mr. Pepin moved that the bill be read the third time and do pass.

Mr. Ritchie: Mr. Speaker, I should like to say a few words on third reading of this bill to amend the Canada-New Zealand trade agreement. The main points of the agreement are not at issue and I am sure that this bill will be passed promptly. However, I would like to say a few words about the present implication of the bill in relation to the impending trading rearrangements that must necessarily follow within a few years. These arise because of the likely entry of the United Kingdom into the European Common Market.

New Zealand, which has long valued the United Kingdom market as its main area of trade, is faced as a result of the entry into the European Common Market by Great Britain with virtual exclusion of its products from Great Britain and the common market. The British are sensitive to the needs of New Zealand and have tried to obtain from the European Common Market assurances that trade from New Zealand can enter the United Kingdom under its old preferential rate. Appreciating the value of the British market, New Zealand supported Mr. Heath at the Singapore conference to do something to counteract Soviet influence in the Indian Ocean.

Although Canada is vitally interested in the British market, especially for agricultural products, the Canadian delegation confined itself to protesting that Great Britain was not affording Canada proper recognition of the importance of Canada's exports to Great Britain, and the Prime Minister then proceeded to negate the importance of maintaining some Western influence in the Indian Ocean.

The importance of the agreement to Canada and New Zealand lies in the fact that until now New Zealand has been largely a dairy producing country depending on the British export market for butter and cheese. But with the possibility of losing drastically their trade with Great Britain in dairy products, New Zealand has introduced a change-over from dairying to beef production and has been looking for markets around the borders of the Pacific, particularly in Canada, the United States and Japan.

Trade with New Zealand was in Canada's favour until 1969, when it became roughly balanced. In 1970 until October, Canada imported $27 million worth of beef. The Canadian beef industry has always operated with a minimum of protection. The flow of beef which has been substantial shows a danger of creating dislocation in the meat industry. Since 1964 the United States has imposed quotas on beef from Australia and New Zealand. The European Common Market has imposed rigid quotas, tariffs and variable levies against all manner of agricultural products, including beef. Japan imposes a quota plus a tariff of 25 per cent of the value—cost plus freight—of beef. The United Kingdom, reversing its almost century-old process of food subsidy in preference to tariff, is now in the process of instituting a system of variable levies for many agricultural products, including beef, to go into effect April 1, 1971.

It is interesting to note that in the other politically sensitive area where importation of New Zealand agricultural commodities such as butter is effectively prevented from being imported into Canada by means of an import licence, the Canadian Dairy Commission has a monopoly—85 per cent of the dairy industry is concentrated in Quebec and Ontario—and this percentage is steadily being raised by the transfer of quotas from the Prairies. This means that the dairy industry will not have to bear any competition from New Zealand, particularly in dairy sensitive areas of eastern Canada. But in the matter of beef production and other forms of meat there is really nothing in this bill that will help even at times of a very severe dislocation of our market. Last year about 7 per cent of the beef consumed in Canada came from Australia, and this year it is estimated that 12 per cent of the beef consumed in Canada could come from Australia and New Zealand.

• (8:10 p.m.)

In the few comments I have made on trade I have indicated the importance of the British market both directly to New Zealand and indirectly to Canada. We all wish, however, that the European Common Market, in the interests of world trade, will reduce the massive walls of tariffs, quotas and other restrictions that have created in the eight years of its existence a relatively inefficient agricultural industry. In conclusion, I should like to state that Bill S-4 can be said to be largely non-argumentative and is welcomed as a means of updating the trade arrangements between New Zealand and Canada.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I would like to say a few words during the third reading stage of this bill. My remarks are along the lines of those of the previous speaker in trying to bring some warning to this House and to the Minister of Industry, Trade and Commerce (Mr. Pepin) regarding the situation into which we are heading. I first stated my views back in 1969 when the minister returned from a trip to Asia. One of the goodies that he brought back was, as he told us, that we would have an increase in imports of beef from New Zealand. At that time I pointed out that we really did not need that much more beef from New Zealand, that we were practically self-supporting and that we had a satisfactory trade with the United States in beef. Sometimes the products were flowing from their country into ours and sometimes it was the other way around. I also told the minister that he was encouraging imports in a pretty sensitive area.

The minister, who was good enough to reply to me, set out the situation as he saw it. However, I am afraid that even at that time I could not bring myself to agree with him. He pointed out that what we would be bringing in would be largely what can be described as manufacturing beef. Subsequently, I corresponded with the Department

of Agriculture to find out what quantities of beef were coming in, the manner in which they were coming in and the manner in which this beef was classified. Predictably, the quantities of beef coming into this country increased to the extent that the Canadian Cattlemen's Association became alarmed, and a recent issue of their magazine carries an article by Mr. Gracey expressing the alarm of the association.

Those who are acquainted with the Canadian Cattlemen's Association know that they do not usually go to the government or raise a protest. I suppose they pride themselves on being one of the last bastions of free enterprise in Canada. Their favourite saying is: We will stand on our own feet. However, they are becoming alarmed because they think their feet will be kicked out from under them. That is the situation. The minister can afford to be bland about it, but frankly I cannot afford be so indifferent to the situation.

In the matter of dairy products we realized a number of years ago that a balance would have to be maintained because of the higher cost of dairy production in Canada as compared with New Zealand which has an extremely favourable climate. We have developed with New Zealand a quota system, an agreement or an arrangement, whereby their products can come in here if they do not unduly disrupt and, indeed, destroy our own market. Yet in discussions in this House I have not been able to obtain any commitment from the government that they are prepared to take a similar attitude with regard to beef. I have raised the question in the House as well as in the committee when the bill was before it. I asked the witnesses before the committee whether the sale by New Zealand of beef in Canada could be regarded as dumping. The answer was no. That is right because the New Zealanders are not selling beef to us any cheaper than they are selling it to their own people.

I also asked the witnesses before that committee whether quotas could be established by negotiation or by agreement, that is, whether we could establish by agreement or by negotiation the quantity of beef that may be allowed into this country. Again the answer was that under this agreement we could. I am a little baffled as to why I am unable to receive a clear and coherent answer concerning the policy that will be followed on the amount of importation of beef from New Zealand in reply to the long series of questions which I put to the Minister of Agriculture (Mr. Olson), as well as in answer to the question I put in the adjournment debate to the Parliamentary Secretary to the Minister of Industry, Trade and Commerce (Mr. Howard).

I do not know why they are reluctant to give this information or to set out the policy, unless they do not have a policy. This is what really concerns me. We had such an influx of this product into Canada last year that we were exporting it to the United States to the point where the United States stopped it at the border and said they did not want any more of it. This ban continues. As a result, of course, whatever was on the high seas at that time simply came into Canada. Canada then was forced, through its representatives, I understand, to say to New Zealand that they would have to slow down.

[Mr. Gleave.]

When I asked a question regarding this matter the other night, the answer I received was that if this continues the government will have to take the kind of action that needs to be taken, an answer which was not too clear. I submit to the government that this is just not good enough. I think that the beef producers of this country are entitled to know government policy. They are entitled to know how much beef will be brought into this country, what the limits are and what is the competition in terms of price and volume with which they will have to contend. I think they are entitled to know this, because the people who are producing beef in this country, the farmers and the ranchers, are putting money into production. Cattle herds are increasing. Feed-lot establishments are substantial. All this is capital investment. As I pointed out the other day, we are being urged to plant more land to forage, which means increased beef production, sheep or dairy cattle. Anyone who has followed the policies of the Minister of Agriculture knows he is not encouraging anyone to go into increased dairy production.

• (8:20 p.m.)

What really concerns me is that there is not a limit of policy set out that can be understood to have this are in the business. I think we are entitled to have this limit of policy set out; I think we are entitled to know. I do not think it is good enough to sit and wait while the government decides it may be something or may not do something, to sit and wait until the United States opens its borders and then wait until it closes its borders. According to the information that has been given to me by responsible people in government, it is possible to work out a policy. As the previous speaker said—and he was dead right—New Zealand is doing what it is because it is in a tough position with dairying and sheep and it is increasing its beef production and then exporting its problems to us. I say to the government that we have enough problems of our own. Let us not expect to handle other people's as well.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I want to intervene only briefly for the purpose of correcting some of the misinformation, or at least wrong information, that has been given respecting the magnitude of beef imports during the past few months. I am surprised that people from the great agricultural areas of Canada, particularly those areas that are dependent on export markets for most of their economy, would be advocating protectionism and restrictions in advance, because we know that these kinds of moves lead to retaliatory or what some people call compensatory action by other countries. It seems to me it is in the interests of Canada, which has a very highly efficient beef and other meat producing establishment, to do as little as possible to encourage other countries to throw up barriers against it.

To get back to the substance of the matter with respect to the statistics that have been given, some figures have been thrown around to the effect that we have been importing from 10 per cent to 12 per cent of Canada's beef requirements from oceanic countries. I do not know

where these figures came from, but they are completely erroneous. I do not have the exact figures in front of me, but speaking from memory the amount of beef imported for use in Canada during the first nine or ten months of 1970 was in the order of 60 million pounds as compared with a total production in Canada of something like 1.8 million pounds or, in effect, about 3 per cent. The fact is that there was some transshipment of beef through Canada from the latter part of 1969 until July 2, 1970, and this was destined for U.S. packing houses for use in the manufacturing industry. This was manufacturing beef. I hope hon. members will bear in mind that the greatest amount of manufacturing beef coming into Canada is frozen blocks of beef, just to fill in the deficiency in Canadian production for those purposes; and almost all of it goes into plants for processing and manufacturing.

I admit that some attempts were made to put this frozen meat on the fresh meat market, but I know of none that have been very successful because it was not comparable with the product produced here in Canada and offered in an unfrozen condition to housewives, that is, a product that has never been frozen. I hope hon. members are not suggesting that we should now build up a series of barriers to this kind of trade, which to my mind is legitimate because we do not have enough production to supply the requirements. I do not think it would be in our interests at this time, and perhaps not at any time, or at least until we see some serious deterioration in our own price structure, to put up these kinds of barriers.

In conclusion may I say that in our discussions with the Australian and New Zealand meat marketing agencies during the past summer, they fully realized it is in their interests to ship into Canada only that which can be absorbed to fill the deficiency and to do this at prices beneficial to them and to our producers.

Mr. Gleave: Mr. Speaker—

Mr. Speaker: Order, please. The hon. member has already spoken in the debate. He cannot speak a second time.

Mr. Gleave: May I ask the minister a question?

Mr. Speaker: The hon. member seeks the floor for the purpose of asking a question of the minister. Is the minister prepared to answer a question?

Mr. Olson: Yes.

Mr. Gleave: I was not aware that the figures mentioned by the minister were quoted. However, I would like to ask him whether the agreement which he described, or the understanding with New Zealand and Australia has reached the point of Canada and Australia mutually working out the quotas which our market can absorb.

Mr. Olson: Mr. Speaker, this agreement is only with New Zealand and as far as I know there are not specific provisions in it for establishing any kind of quotas either to fit our market or for any other purpose. In practical terms, the only difficulty we have had with this importation of meat was when there were great quantities of it going through Canada to U.S. destinations. That caused us and the United States some problems too. I do not want to gloss over the magnitude of those problems other than to say that the amount coming in was not disruptive of our own markets or to our producers' interests in those markets.

Mr. Benjamin: Can the minister say whether discussions have taken place with the New Zealand government to develop some sort of international rationalization of markets as between New Zealand and Canada? They grow mutton and lamb, and we grow beef. Has there been discussions about trade-offs, or has the minister looked into this possibility?

Mr. Olson: Not in those terms. The discussions we have had from time to time have concerned their wish to have access to the Canadian market for the type of beef to meet the deficiency in our production and for our own consumption. In that respect the discussions have been very useful and have led to agreements, not formal agreements but an understanding that we would operate in this market to the benefit of both countries.

Mr. McKinley: Can the Minister of Agriculture (Mr. Olson) give us an assurance that what happened with respect to this beef being transshipped through Canada to the United States, when its entry to the U.S. was cut off, will not happen again?

Mr. Olson: I cannot assure the hon. member that someone will not try it in the future. What happened in the last instance was that New Zealand and other countries had a beef quota set by the United States and they were getting some additional supplies by transshipping through Canada. I communicated to the governments of the countries concerned that we did not wish to be party to this attempt to circumvent U.S. rules. While I cannot positively assure the hon. member that someone will never try this again, I think we reached an understanding that it was not beneficial to our countries to be involved in this kind of operation.

• (8:30 p.m.)

Mr. Rose: Mr. Speaker, may I ask the minister another question? Since the minister has indicated—

Mr. Speaker: Order, please. I must remind hon. members that we are not involved in discussion at committee stage. Technically, the minister still has the floor. The hon. member may ask the minister a question if the minister is prepared to accept it. I must again suggest to hon. members that we are not in committee at this stage and we should not embark upon a committee-style discussion. The hon. member for Fraser Valley West (Mr. Rose) may make a speech, if he wants to, when he has the floor.

Mr. Rose: I do not know what to say, Mr. Speaker.

An hon. Member: As usual.

Some hon. Members: Hear, hear!

Mr. Rose: The Minister's remarks seem to me to be quite contradictory. It seems to me the minister is suggesting that New Zealand beef will be allowed into Canada so long as it is not a threat to the Canadian cattle industry and that it is helping us to overcome the deficiencies of the Canadian cattle industry so far as our domestic market is concerned. I hope the minister agrees with my assessment of what he said. My question to him is this: Since the beef industry has a continental market, is he suggesting that if the market for Canadian beef should be enlarged in the United States, we in turn will be importing beef to fulfil our demands domestically and that this would depend upon the amount of beef imported under the continental market system to the United States?

Mr. Olson: Mr. Speaker, I do not know whether I still have the floor to answer questions. I assume that I have. There is no suggestion of that at all. There are certain types of meat—we have been referring to manufacturing beef which is said to be of low quality but which is actually of high quality—that Canada is deficient in so far as its own requirements are concerned. We would not like to see a situation developing in which this meat was coming through Canadian ports and also supplying the market for this type of meat in the United States. Although they import much larger quantities of this kind of beef for the same purposes into that country, they set quotas. It seems to me that it is up to the United States authorities to make their own decisions of how great a quota for this kind of meat they want and how much of it they want imported, and Canada should not be a party to trying to circumvent rules which have been set in the United States.

Mr. Burton: Mr. Speaker, may I ask a question?

Mr. Speaker: Is the minister prepared to consider other questions?

Mr. Olson: Yes, Mr. Speaker.

Mr. Burton: Mr. Speaker, I want to ask a brief question of the minister which arises from his remarks. Could he inform the House if any consultations or discussions were held with Canadian canners, dealers or other firms that were engaged in the transshipment of meat and meat product from New Zealand to Canada and to the United States? Were discussions held with those firms and, if so, could he indicate what were the results of those discussions?

Mr. Olson: Yes, Mr. Speaker. I cannot say that any particular meeting was called for that purpose. We made it known to the people in the trade that Canada was very unhappy at being in the position that it was the country through which transshipment was taking place and that we were not going to allow it to happen to the point where it could jeopardize the very satisfactory trading relations that we have established with the United States. The people in the trade were advised that that is the position of the government.

Mr. Benjamin: Mr. Speaker,—

[Mr. Rose.]

Mr. Speaker: Order, please. Is the hon. member rising to ask a question or to make a speech?

Mr. Benjamin: I should like to ask a question, Mr. Speaker.

Mr. Speaker: The hon. member cannot ask a question unless the minister is prepared to accept it. I see that the minister is willing to accept it. The hon. member may have the floor to ask his question.

Mr. Benjamin: Mr. Speaker, I ask the minister how in the agreements concerning the importation of New Zealand beef he was able to reconcile the demands of the various provincial governments, particularly those of Saskatchewan and Alberta—regardless of whether the quality of beef produced in Canada meets the needs of our market—for an enlarged production of beef of any kind or quality without the establishment of a quota, with the importation of beef from New Zealand, some portion of which stays in Canada. Has he had any discussions with the administrations of the provinces which are paying the farmers money to diversify? Can he reconcile that position with the agreement reached with New Zealand?

Mr. Olson: Mr. Speaker, the fact is that we export beef at times and import beef at other times. Our present situation is that there has been a deficiency in almost all classes of beef in this country for several weeks, and as a result there has been some importation of some high quality, fresh beef from the United States as well as manufacturing quality beef from these other countries. It seems to me that the determining factor in whether demand is being met or not at a certain price is the market place. The canner and cutter cows, which provide the class of beef that we are importing from Australia and New Zealand, have been running at up to $2 per hundred higher this year as compared with the same date last year.

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

Some hon. Members: Agreed.

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

* * *

STATISTICS ACT

ESTABLISHMENT OF STATISTICS CANADA, PROVISIONS FOR ADMINISTRATION, ETC.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved that Bill S-2, respecting statistics of Canada, as reported (with amendments) from the Standing Committee of Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

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

Some hon. Members: By leave, now.

Mr. Pepin moved that the bill be read the third time and do pass.

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

* * *

EXPORT DEVELOPMENT ACT

AMENDMENTS RESPECTING AUTHORIZED CAPITAL, BORROWING, LIABILITY UNDER CONTRACTS OF INSURANCE

The House proceeded to the consideration of Bill C-184, to amend the Export Development Act, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Order, please. I understand that the hon. member for Regina East (Mr. Burton), who first proposed an amendment at this stage, has suggested that the amendment not be proceeded with on the understanding that all the arguments would be made on third reading. Is this agreed?

Some hon. Members: Agreed.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved that Bill C-184, to amend the Export Development Act, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

• (8:40 p.m.)

He said: Mr. Speaker, I should like to move an amendment which has been recommended by the Governor General. I think that copies of the amendment have been distributed to all parties: if not, I have several copies that can be distributed. Am I to assume that the amendment has been read or does Your Honour suggest that I read it?

Mr. Speaker: Perhaps the amendment might be put to the House at this time. Moved by Mr. Pepin:

That Bill C-184 be amended

(a) by striking out lines 4 and 5 on page 1 and substituting the following:

'1. (1) Subsection (1) of section 4 of the Export Development Act is repealed and the following substituted therefor:

"4. (1) The chairman and six other directors shall be appointed by the Governor in Council from among persons employed in the public service of Canada."

(2) Subsection (3) of section 4 of the said act is repealed and the following substituted therefor:

"(3) The five directors not appointed from among persons employed in the public service of Canada shall be appointed by the Governor in Council to hold office during pleasure for such term, not exceeding five years, as will ensure as far as possible the expiration in any one year of the term of not more than one such appointee."

Export Development Act

2. (1) Subsection (1) of section 11 of the said act is repealed' ; and

(b) by renumbering clauses 2 to 10 as clauses 3 to 11 respectively.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, under normal circumstances the amendment which the minister now seeks to move would be out of order. Because I say it is out of order I do not wish that to sound as though it is, unless hon. members want to take it that way. This is not an amendment to the bill that is before the House, but rather to the act which the bill seeks to amend. We on this side of the House have tried that scores of times and Your Honour has rightly prevented us from doing so. However, we were asked earlier today if we would give unanimous consent to waiving the rule in this case. If the substance of the request is as it was communicated earlier today, we will not object to proceeding with it in this way, but we would like it to be clear that the opposition is granting a concession to the government which is seldom granted to us.

We are willing to have the rule waived and for the minister to be permitted to amend the bill before the House in a way that actually goes behind the bill and amends the act. This, of course, is on the understanding the minister has been able to persuade the Governor General to give his recommendation to the proposal.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we have been consulted about this. We are prepared to give our consent. As a matter of fact, it is a good indication. Any time the government frankly admits it has made an error and wants to correct it, we are always prepared to allow them to rectify it. We do that in this case.

Mr. Pepin: I thank hon. members opposite for their generosity. I suggest that I am not being terribly immoral, because this procedure can be used when there is unanimous consent of the House. However, I am grateful.

Mr. Speaker: Order, please. Perhaps the Chair should express the thought that the point made by the hon. member for Winnipeg North Centre (Mr. Knowles) is well taken. There is no question but that the amendment is not regular from a procedural standpoint in that it seeks to amend the act rather than the amending bill. As the hon. member for Winnipeg North Centre pointed out, such amendments proposed from time to time are always ruled out of order. I do not want it to be considered a precedent that on this occasion we have accepted the amendment. As mentioned by the minister and the hon. member for Peace River (Mr. Baldwin), it is understood that this procedure, which is highly irregular, is proceeded with by unanimous consent.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Amendment (Mr. Pepin) agreed to.

Motion (for concurrence) agreed to.

Mr. Pepin moved that the bill be read the third time and do pass.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, we in the official opposition are glad to support this bill because it will do something very important, that is, help increase exports. It is important that we do everything possible at this time to increase exports of manufactured products. As hon. members know, manufactured products are labour intensive: they are our best weapon to combat the serious unemployment situation which we are facing. This country has not been doing too well in increasing exports of manufactured products during the past year. I received the latest report from the Dominion Bureau of Statistics today. During the past year our exports of manufactured products increased by only 4.2 per cent over the previous year. People may ask what is wrong with that. The answer is that it is not good enough. As the Acting Prime Minister (Mr. Sharp) stated recently when answering a question put to him in the House, the number of jobs in Canada is increasing but the number of people looking for jobs is increasing faster.

Our work force is rapidly increasing. Young people are entering the labour force at a very rapid rate. We must provide jobs for them. Obviously jobs are not being provided at a fast enough rate: that is why unemployment is steadily increasing. It is obvious that unemployment cannot be cured by the public works method. When this party was in power a few years ago, we tried that. We were faced with the same situation. It did not work because it cost too many thousand dollars of public funds to create a single job. There is just so much that the exchequer of the country can afford at any time. Once the construction projects are completed, you are right back at square one: once again you have unemployment on your hands and you have to find jobs.

• (8:50 p.m.)

The only way to cure unemployment is to create jobs. By stimulating the economy it is possible for producers to sell in an atmosphere which will enable them to increase sales, production and employment. This does not cost the Canadian taxpayer one cent. It is the only-practical way of overcoming unemployment because it is on a continuing basis. That is what we are looking for. We in the official opposition are very glad to support this bill. This measure will do something that is most important for the country at the present time, namely, help increase sales of manufactured products. We say to the government: Get on with the job and use this tool to help you sell more manufactured products and thus produce more jobs for Canadian workers.

Mr. John Burton (Regina East): Mr. Speaker, when this bill was considered on second reading I noted that the Export Development Corporation and its activities represented a very important instrument in our trade policy. I think this has been borne out by the subsequent consideration of this bill. Through its programs of export credit insurance and export loans and guarantees, I think the Export Development Corporation has played and can continue to play a very important role in promoting a healthy trade relationship and assist the economy. However, I think it must be noted once again that this instrument of policy can only be effective if in fact it is developed within the framework of an adequate trade policy.

This I pointed out during the second reading debate and I think it was underlined by some of the comments made by the Parliamentary Secretary to the Minister of Industry, Trade and Commerce (Mr. Howard) when he introduced the bill to the Standing Committee on Finance, Trade and Economic Affairs. He pointed out that discussion had taken place during the second reading debate on the problem of promoting the export of Canadian products and the fact that considerable emphasis must be placed on the sale and export of semi-finished products and raw materials rather than more highly manufactured products. The parliamentary secretary went on to point out that promotion of one kind of export in preference to another rests with the Department of Industry, Trade and Commerce. Still later he made reference to concerns that have been expressed about the degree of our trade with the United States and said that in this case also it is the Department of Industry, Trade and Commerce, rather than the corporation, that would make that kind of effort in dealing with these problems.

I think this underlines the point that some of us made at the time the bill was considered at second reading, namely, that this instrument of policy can operate effectively only if there is an adequate policy framework. It is perfectly obvious to all hon. members that some of the programs of this corporation have made a very important contribution to the Canadian economy. I draw attention to the value and importance of its operations to western Canada and particularly to my region in such things as grain sales. However, there is one area of the operations of this corporation which was included in the act originally passed in 1969 which I think requires further consideration. This has to do with the section of the act relating to foreign investment insurance. There are in fact amendments in the bill now before the House to some of the provisions of the original act which the government has found unworkable, and thus were unable to conclude with other countries the type of agreements and treaties that were originally hoped for when the act was first passed in 1969.

We are very concerned with the fact that Canada is becoming involved in this kind of business. I want to make it clear that we are dealing in this bill, and indeed in the act that is being amended, with the provision which encourages private investment in other countries. This has nothing to do with whether this is allowed or prohibited, but only with the point as to whether as a matter of public policy we will introduce programs that will have the effect of encouraging private Canadian concerns to develop enterprises in foreign countries through the instrument of insurance protection against what has been termed political risk. It has been suggested that this may be interpreted in some quarters as an attempt on Canada's part to enter, as it were, the twen-

tieth century scramble for investment in countries that have not been so fortunate as Canada in terms of economic development. It has even been suggested that this could be interpreted as Canada becoming part of the new investment imperialism, a new form of colonialism that is becoming prevalent in the twentieth century.

I think we can question the propriety of this situation and ask whether this is a good approach to take to our international relationships. Is this sort of policy going to serve the long run interests of Canada? Secondly, I think we can question whether Canada can really compete in this league, given all the circumstances.

It seems to me that a second area of concern relates to what benefits accrue to Canada as a result of this action. It can be pointed out that there is provision in the act to safeguard Canada's interests and to ensure that in fact there will be benefit to Canada as a result of assisting or encouraging private investment of Canadian money in foreign countries. However, I suggest this is a subjective matter, one on which it is very difficult to make an objective judgment. I suggest conflicts will arise in assessing these projects in terms of the extent of the benefits that will accrue to Canada. It might very well be the case that some short-run benefits can be measured, but we have as well to take into account some of the long-run problems that will develop and determine whether in the long run we will see the growth of a resentment toward Canada of the sort that some countries now suffer.

The political implications involve subjective considerations that are very difficult to measure. We have Canada's experience, where our resources have been developed to a great extent by foreign financial assistance. Some people suggested that this was essential for the development of Canada, and given a particular set of circumstances this was possibly so. But the fact is that we in Canada did not do an adequate job of developing our own resources and of mobilizing their full potential. Consequently, in the absence of adequate facilities and machinery it was really a case of foreign capital moving in to fill the vacuum.

We now have the situation where while we are still concerned about imports of capital into Canada we are going to adopt as a feature of public policy a program that will encourage and assist the export of Canadian capital for purposes of private investment to develop other countries. I think the very real question that arises is whether this is the best way in which we as a nation can assist the developing nations of the world.

• (9:00 p.m.)

This investment insurance program has been referred to as a program to protect investments against losses due to political risks, such as war, revolution, confiscation or expropriation. It seems to me that some of the evidence which was revealed at the committee indicated not only difficulties which were encountered with the structure originally developed when the act was passed in 1969 but also very fundamental questions as to the advisability of this program.

The officials and the parliamentary secretary, when they appeared before the committee, reported in answer to questions by members that there have been some 200 inquiries on behalf of international prospective investors and that this represents an interest in over 70 countries, 40 per cent of which were in the Caribbean and the remainder distributed over other parts of the world. By category of investment, 40 per cent was in respect of manufacturing, 17 per cent in respect of hotels, 15 per cent in respect of food or beverages, most of which is also manufacturing or processing, 10 per cent in financing and the balance of 15 to 20 per cent in a variety of mining, service industry, retail outlets, housing and warehousing.

It was also reported to the committee that bilateral negotiations have been carried on with 20 countries in an attempt to reach some sort of an agreement within the framework of existing legislation. It was indicated that difficulties had been encountered and that there were in fact fundamental objections on the part of some countries. Other countries just said: Look, we cannot deal with you because we are prohibited from signing an agreement under the laws which presently exist in our country.

It is now the intention of the government to change this act so that it will remove the requirement for a bilateral agreement authorizing the Export Development Corporation to provide investment insurance in cases where the minister is satisfied that the legislative atmosphere is such that Canadian investment will be adequately protected. It was also mentioned that the second requirement is that an investor must get a letter from the appropriate governmental authority of the host country that they do not object to this investment and, hopefully, that they approve.

Some questions were asked and some evidence was given concerning the negotiations that had been carried on with individual countries such as Spain, Nigeria and others. It was indicated that a great many difficulties were encountered. I do not intend to go into them in detail now. A further point of concern, as was indicated, is that there would be no difference in the manner in which the Export Development Corporation would deal with a foreign-controlled or owned company in Canada which desired to make further investment in a foreign company. In answer to a question asked by myself, Mr. Aitken said:

> —we would not have any view with regard to the ownership of a particular Canadian company that came to us and wanted to make an investment abroad because after all you need not necessarily know who owns the company. The shares may be held abroad even though it appears to be entirely a Canadian company. However, with respect to the inquiries we have had I have here in front of me a list where we have given the investor a commitment to provide him with insurance in the event that we can have this bilateral arrangement. On looking over this list I see only one case where I know that the parent company is an American concern and there are some 20 on the list.

When I asked him if other companies which are foreign-owned or controlled were to make inquiries, his answer was, "We would treat them equally". I suggest there are policy implications that need to be considered

by the government. These to some extent go beyond the considerations of the operations of the corporation itself and must be considered by the government as a matter of policy in establishing the framework for the operation of this corporation.

The parliamentary secretary, in answer to one of the questions put to him during the committee proceedings, indicated that it was the hope of the government that the new limitations being established in this bill with regard to export credit insurance, export loans and guarantees would last for three or four years before the government would again have to come to Parliament asking for an extension of the limits. At the same time, in answering a question concerning the foreign investment insurance provisions of this bill Mr. Aitken indicated that in so far as they could judge at this early stage of development they anticipated, or thought likely, that the firms which would take up this provision would use up approximately $120 million of the liability. That brings us very close to the $150 million limit proposed in this bill.

I would note in this regard that one of the clauses of the bill does call for the extension of the limit of liability that might be undertaken under the foreign investment clause, the extension being from $50 to $150 million. Thus, it would seem to me that if there is in fact the interest that has been indicated in this part of the bill, the government will have to come back to Parliament very shortly to ask for an extension, particularly if it wishes to continue with this measure.

I noticed in this regard that the parliamentary secretary indicated that the Department of Finance was only prepared to go up to $150 million. This indicates to me that the Department of Finance must have some doubt about this clause of the bill and that it has some questions in that regard and does not wish to see the limits of foreign investment insurance provisions extended too far. We will have to watch the operations of this part of the bill because in the long run there are very serious dangers contained in it for Canada.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we have a few minutes left at our disposal. I will not be selfish enough to take up all the time because I know other hon. members wish to speak and the minister is straining at the leash to respond to the very illuminating comments that have been made. There are one or two comments I should like to make very seriously at this time. I hope he will agree with me.

What is involved in this bill has a lot to do with our general trading position in the world. I think we are in a precarious position and need legislation of this kind, so I am glad to support it. We are in an extremely weak position in world markets. One reason is very simple: the prestige of this country greatly diminished after the Second World War. I think this is due to a number of reasons, some of them controversial, which I do not intend to go into in detail. Because of steps we have taken to reduce certain commitments, military and otherwise, in Europe and because during the Kennedy Round negotiations our negotiators, no doubt acting skilfully in bargaining in a hard way, obtained a number of concessions which benefited us in the short term, we lost a lot of friends. I recognize the importance of negotiation and the fact that you cannot be too honest on an international basis, but it is tremendously important to have a reservoir of good will and understanding.

• (9:10 p.m.)

Within a comparatively short time we will be faced with a difficult situation. No one can predict what will happen in Europe. The United Kingdom government is headed by a very determined man who apparently is going to get his country into the European community. Even today it is quite obvious that the international trading world will have great difficulty in salvaging the English market for New Zealand commodities and for sugar products from some of the other Commonwealth countries. Certainly there will no incentive to create circumstances which will permit Canada to benefit from this situation. England and some of the other Common Market nations may ultimately react to our benefit, but we are faced with that situation and our situation vis-à-vis the United States. We do not have the capacities of Japan, although I am not downgrading the Canadian position. I am sure that the minister, who has been over there recently, will bear me out. The Secretary of State for External Affairs (Mr. Sharp) was over there a few months ago, and so was my leader who publicly stated the things which he knew but which were reinforced by what he learned over there, things which the government should have known.

The Secretary of State for External Affairs, acting as an innocent abroad, was publishing statements from time to time indicating that he was first discovering these very alarming facts. Where will this leave Canada? We will be faced with a very serious problem, and the minister knows it. I am not saying that he is not trying to do something about it—and perhaps this bill reflects it but I wonder whether it goes far enough. I would like to think that some time we will have a discussion. We have had many debates in this House. Unemployment is our No. 1 problem and we have to do what we can on this side of the House to awaken the government to these problems. But I think the minister should take the opportunity to initiate a debate. He should take a day of the government's time and initiate a debate on the situation. We do not have this kind of debate. If he does so, we will be glad to participate in it and decide, after he has spoken, whether we will continue to support him.

I was overseas recently and met a number of people in the European countries. I discussed with them the question of our trading relations. We must consider the extent to which we can make use of this bill and its ability in working with underdeveloped countries. We are starting what is known as the second decade for aid to developing nations. The fact that it is called the second decade is of some importance, because when the program was first initiated it was called the decade of aid to developing nations. However, it was discovered that ten years was not enough.

We must bear in mind that the gap between the developed and the developing nations is widening and it may

take 30 or 40 years to close it. In the meantime, time is against us. We cannot wait, because time does not wait and because a train of circumstances is set in motion which is leading us toward an unbridgeable chasm. The growth and the per capita wealth of the developed nations in comparison with that of the developing nations is tremendously serious. Now that the developing nations are able through various media to discover that there is a better way of life and a better world, these people will not sit idly by for an eternity and permit the situation to continue.

Mr. Nowlan: Hear, hear!

Mr. Baldwin: I am glad to have support for my point of view. I conclude with this comment. I shall read to the minister two or three paragraphs from a booklet of which the minister may be aware: it is called "Canada's Trade Policy in the Second Development Decade", written by Benjamin and Jean Higgins. It deals with the uses which we can make of such weapons as this bill, the Export Development Act and other measures to assist the developing nations through our trade policy. I am reading from page 65 of the booklet. These are words which the government may well bear in mind with respect to problems near at home. They read as follows:

> But from what has been said already concerning unemployment, it should be clear that the most useful discovery of all would be a formula for modifying western industrial technology, applicable over a wide range of manufacturing activities, which would use less capital and more labour while raising productivity of both labour and capital. Here indeed is a challenge, and one that has yet to be accepted and translated into action in any country, whether advanced or underdeveloped. What is required is not merely laboratory research but application on a pilot-plan scale as well. And no matter how brilliant the engineers and the natural scientists engaged in such research, their efforts are unlikely to be crowned with success unless they understand clearly what it is they are seeking. After centuries of inventing labour-saving devices and of identifying the discovery of such devices with technological progress, it is not easy for western engineers and scientists—or for the engineers and scientists of LDCs whose training is essentially the same—to think in terms of new techniques that will use more labour rather than less, while raising output per man-hour and per unit of capital. But we cannot say that no such technology exists, because no one has tried seriously to find it. If Canada could produce such a technology—

I interpolate here to say that I wish Canada could produce such a technology and export it using the medium of the Export Development Bank.

> —it would be a boon to mankind.
>
> Technical assistance programs are essentially a device whereby the existing stock of skills and the flow from the educational system are supplemented through international transfers of human resources. Very often the lack of certain types of human resources is the major bottleneck in the development of a particular country and the major factor limiting capacity to absorb capital assistance. In such cases transfers of any type of scarce skills can be helpful.
>
> From the analysis above, however, it is clear that the most useful form of technical assistance in the Second Development Decade will be provision of those managerial, scientific, and technical skills needed to ferret out opportunities to establish successful new industrial enterprises, to organize them, and to nurse them through their infancy. In Canada these skills are usually found in private enterprises rather than in government departments or universities.

I am waiting for some approval from my friends to the left, but apparently they are not interested.

> One way of making such skills available to the LDCs, obviously, is through the establishment of new Canadian enterprises in those countries. But this method may not always be appropriate, and ways must be found of making the skills of private enterprise available to our foreign-aid program. The new private enterprise division of the Canadian international development agency could prove very useful in this respect.

This may not be completely relevant, but I point out to the minister that this is a technique by which we can be of assistance to the developing countries through the effectiveness of this bill. I commend these thoughts to the minister's attention when this bill is passed and he administers it.

• (9:20 p.m.)

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, there is a line from Shakespeare that is appropriate tonight—"The quality of mercy is twice blessed; it blesses him that gives and him that takes". I remind hon. members of that line because I think it applies to the comments made by the hon. member for Regina East (Mr. Burton) and by the hon. member who has just spoken, the hon. member for Peace River (Mr. Baldwin).

Tonight we have heard two sides of the same question. We have heard the fears of the hon. member for Regina East that Canadian corporations operating abroad are somehow going to bring disrepute to Canada and will bring down anger on all of us.

Mr. Burton: On a question of privilege, Mr. Speaker, I did not make any such statement.

Mr. Howard (Okanagan Boundary): Mr. Speaker, perhaps I have paraphrased the hon. member's words, but he implied that if we send Canadian companies to take their place in the markets of other countries we will somehow inherit the opprobrium that has fallen on a number of other nations which did this. I cannot accept that premise. I believe we have a responsibility to take our talents and invest them abroad, if this will help other nations, and I believe that the points raised by the hon. member for Peace River are worth remembering in that regard.

We have an obligation that we have accepted in international aid. We are seeking to achieve a target of 1 per cent of our gross national product as aid to the developing nations. We know that this is a difficult objective for a country the size of Canada, but the United Nations and other authorities in this field are more and more encouraging the development of foreign investment in the developing countries as a legitimate and useful way in which the developed countries can aid those nations. I believe this is useful to those nations not just because of the wealth it creates for them but because of the skills we are able to transfer to them and the managerial techniques. The plants we establish bring wealth to them as well as to Canadian corporations. In doing so, I think

we must recognize that we should be prepared to abide by the laws that those nations may want to apply to Canadian corporations operating within their boundaries. We should be willing to accede to their desire that such corporations should be good corporate citizens. But that does not preclude Canadian corporations performing a very useful and valuable service to them and to us. It is for that purpose that this part of the bill has been included.

The hon. member mentioned that during committee discussions we dealt with the question of foreign-owned corporations in Canada being eligible for this benefit. Well, it is possible that this can happen, and Mr. Hugh Aiken, the chairman of the Export Development Corporation, indicated that in some cases it had happened. I make no apology for this. A corporation which operates in Canada brings wealth to Canada and should qualify for the same benefits as a Canadian citizen or Canadian corporation.

The hon. member also mentioned the $150 million limit, which he indicated would not last very long. I think this may be true. I think it is quite possible that we will reach that limit very soon, but I do not think that the reluctance of the Department of Finance or of the Treasury Board to authorize higher limits in this case was because they feared the money was not well invested. I think it was simply because there were outer limits beyond which the Canadian budget could not go at that time.

Now I wish to make some comments on the statements made by the hon. member for Prince Edward-Hastings (Mr. Hees). He seems to have hit-and-run: I do not see him in the House at the moment.

Mr. Baldwin: He won the ball game; he hit a home-run.

Mr. Howard (Okanagan Boundary): I think he struck out. He was citing statistics concerning development of our manufactured, semi-manufactured and raw material exports. It is very convenient, if you take a particular statistic from here and there and use it according to whim, but you are not giving the whole picture. One of the points the hon. member tried to make was that somehow we have been remiss in the development of our manufactured goods exports, and he cited figures for a particular year. I want to tell hon. members that over the past five years our exports of manufactured goods have gone up by 300 per cent. I think that is a pretty good figure, a better figure than that used by the hon. member for Prince Edward-Hastings.

The hon. member for Peace River said that we need to obtain the tools, the instruments that we need to meet the responsibilities and difficulties that we may encounter because of the expansion of the European Economic Community. I suggest to you, Mr. Speaker, that the Export Development Corporation bill is just such a tool that Canada needs. It is the kind of tool with which we can do what he has suggested, and for that reason I respectfully recommend it to hon. members for their concurrence.

[Mr. Howard (Okanagan Boundary).]

Mr. Burton: Before he resumes his seat, would the parliamentary secretary accept a question?

Mr. Howard (Okanagan Boundary): Yes.

Mr. Burton: In his remarks the parliamentary secretary made reference to my comments about the limits which the Department of Finance had insisted upon, as revealed during the committee proceedings, and in answering the point I made in that regard he indicated there were other limits imposed upon any action the government might take in this regard. He also referred to the government's budget. Would he elaborate on what other limits are involved in establishing the $150 million which would be considered by the Department of Finance in that regard, and indicate just how the government's budget comes into the picture, because it seems to me that this is not a direct imposition on the government.

Mr. Howard (Okanagan Boundary): Mr. Speaker, I suppose the acoustics are bad in the chamber tonight. I mentioned outer limits, and what I suggested was that this was the outer limit for budgetary purposes to which the Minister of Finance (Mr. Benson) was prepared to go at that time.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, the only reason I am prompted to intervene in the debate is that listening to the parliamentary secretary I was reminded of the salesman on the old Mississippi boat who had made his sale and then almost protested too much. In fact if I were charitable, a trait derived from my Irish ancestry, I would say that the parliamentary secretary had almost protested too much in biblical terms, but since we are not talking about biblical terms I will let it go at that.

• (9:30 p.m.)

An hon. Member: Good.

Mr. Nowlan: The few remarks that I intend to make tonight are more relevant than the minister might think. I confess that my remarks may not be very relevant to the Export Development Act, but they will have a lot to do with exports. I am one of those on this side of the House who finds the Minister of Industry, Trade and Commerce (Mr. Pepin) one of the more interesting, ingenious—

An hon. Member: Intelligent, and capable.

Mr. Nowlan: —and capable ministers on the government side.

Some hon. Members: Hear, hear!

Mr. Nowlan: Frankly, I can well understand—

Some hon. Members: More.

Mr. Nowlan: —why they are clapping at this innuendo which reflects on the government. It is because there are so few ministers who are interesting or intelligent: that is why they are clapping. They have a good character reference with the Minister of Industry, Trade and Commerce.

He is one of those ingenious characters who can stand up in this House with a snowball—in fact, he could stand in Hades with a snowball and it would not melt in his hands: it would remain unmelted while he recited the latest statistics up to the end of the month. If the snowball dissolved, and that would not help his statistics, he would not tell a white lie in this chamber. The snowball would be dissolved and it would be a lump of water in his hand. Therefore, he would never betray the House.

Some hon. Members: Oh, oh!

Mr. Nowlan: The hon. member for Vancouver Quadra (Mr. Deachman), the co-ordinator of committees in this House, would do well to talk on behalf of the Minister of Industry, Trade and Commerce, especially if he is interested in seeing peace, progress and harmony in this House. I have a great personal kinship with the hon. member for Vancouver Quadra, but we hold a political dialogue. I say to the hon. member, with all deferrence to the House, that this minister helps us detour and circumvent most problems. I am now coming to my point.

Some hon. Members: Hear, hear!

Mr. Nowlan: My point is this.

An hon. Member: Hurray.

Mr. Nowlan: I do not apologize to a gosh darned person in this whole gosh darned chamber. I give full credit to the hon. member to my left for making the pontifical, profound and positive remarks he has made: that is great alliteration. I think it is time, since we are talking about the Export Development Act, to talk about a different kind of export. We can say how great this will be for our great customers, but I am talking about Canadians who are unemployed and who have not a gosh darned breadcrumb in their throats because of the policies of this gosh darned government, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Nowlan: I say this because the government can help the people who are unemployed.

An hon. Member: By exporting them.

Mr. Nowlan: I hear the hon. member from the Kootenays, who replaced that other great member from the Kootenays, the late Mr. Herridge. But the point is—

An hon. Member: He is too late.

Mr. Nowlan: Do not distract me from my thoughts. My thought is this—

An hon. Member: Don't go away.

Mr. Nowlan: The hon. member on my left—

An hon. Member: Let's hear from the hon. member for Kootenay West (Mr. Harding).

Mr. Nowlan: There is no coaching here. Let me start over again.

An hon. Member: Previously it was the hon. member for Regina East (Mr. Burton).

Mr. Nowlan: That may be so. He has it made. I was talking about exports in Canada. We are considering the Export Development Act, which is all very fine. I think the minister would be the first to agree that if I were to suggest that if he were anxious to help Canadians to export he should seek the help of the Minister of Finance (Mr. Benson) to find pretty quickly some type of counterbalance to the floating dollar. I am serious in what I say about the floating dollar. The hon. member for Peterborough (Mr. Faulkner) is commenting. He is one of the guilded figures of the skating world as a result of the North American championships which have been held in Peterborough.

Some hon. Members: Hear, hear!

Mr. Nowlan: I do not fault him for that. I know that hon. member well. In many ways we are ad idem, which is an old Latin term for "togetherness". He might say that we are together in this just society. I do not say that. I say that if the just society means anything, it means that instead of talking about the apocryphal Export Development Act we ought to be concerned about the export of Canadians from Canada.

I say to you, Mr. Speaker, that the minister is not in charge of this area. I hope, goodness to gracious, that the Minister of Finance (Mr. Benson) will not flounce around and bubble with our dollar. Just because some may call him "Bubbly Benson" does not mean that he can bubble with the dollar. To find its level you almost have to look at a thermometer. I sometimes wonder just what the level of the dollar is. In Canada's interest, it is time for us to deal not only with the Export Development Act but with the stabilization of the dollar. The Minister of Finance ought to introduce some income tax reforms over a five-year period or a two-year period which would help us make up through exports what we are now losing as a result of our floating dollar.

I come from an area that exports certain quantities of goods, yet they do not know what they are competing against in the Boston market. None of us know what they are competing against in that market and few of us know the problems our traders encounter in competing in the American market. We do not know exactly what we are competing against, because of our floating dollar. I do not mind if some things float. I have seen this government performing for eight years, and all it has done in that time is float from problem to problem. They do not have the guts to build a dam, but they are floating along. In my flight of fancy there is nothing to compare with the bubbling, floating procrastination of this government that represents the establishment. It is no reflection on the Chair, Mr. Speaker, when I say as a liberal Canadian that I would find myself compromised if I were a member of the government. They imagine that they are Liberals, yet this is one of the most staid, reactionary, Cromwellian and Conservative governments that we have ever had. especially since 1922.

Mr. Whelan: The hon. member is making a gosh darned good speech.

Mr. Nowlan: I hear the former parliamentary secretary for fisheries, who grows tomatoes, interjecting. That is meant to be no personal slight. I am saying nothing against that great Canadian who was part of this whole government machinery. The fact is that Canadians wonder, and I sometimes wonder, why we are debating the government organization bill, why we are getting involved in these areas when, frankly, we are only concerned with our own pockets. The great majority of Canadians—

Mr. Forrestall: Mr. Speaker—

Mr. Deputy Speaker: Is the hon. member rising on a point of order?

Mr. Forrestall: It is not a point of order, Mr. Speaker. I wonder if the hon. gentleman would permit a question. Is he speaking on the bill in front of us?

• (9:40 p.m.)

Mr. Nowlan: I am glad the point of order is from that member. He is one of the most relevant members and relevant contributors.

Mr. Forrestall: All I did was ask a question.

Mr. Nowlan: If you have a question, ask it through the Speaker.

Mr. Forrestall: I did.

Mr. Deputy Speaker: Order, please. My understanding is that the hon. member for Dartmouth-Halifax East (Mr. Forrestall) has a question. If the hon. member for Annapolis Valley (Mr. Nowlan) is prepared to receive it, I think the House would be interested.

Mr. Forrestall: My question is based on some very relevant comments which were made in the gallery a few moments ago. Isabelle wonders whether she can come down and straighten this out.

Mr. Nowlan: Isabelle may be the name of a new cone going to the moon. I have not gone to the moon yet.

An hon. Member: Oh, no?

Mr. Nowlan: The Minister of Industry, Trade and Commerce (Mr. Pepin) is one of the more constructive, charitable and intelligent ministers.

Some hon. Members: Hear, hear!

Mr. Bell: That is not saying much.

Mr. Nowlan: As my whip says, while lashing me across the back, that is not saying much. Be that as it may, it is time that we in Canada started to define some policy. I am completely against the policy of pay out from the pocket with no philosophy. How are we going to get the money in the pocket? I am not accusing the minister of this; I will do that later when we get to some other issues. Right now I am talking about the Export Development Act. I suggest to Your Honour and members opposite—

Mr. Deachman: Carried.

Mr. Nowlan: It is not carried yet.

An hon. Member: He is still quoting.

Mr. Nowlan: I hear echoes saying "Nowlan, you shouldn't get serious because people do not want you to be serious". Unless we start getting serious in Canada about some of the problems, this institution will go down the drain.

Some hon. Members: Hear, hear!

Mr. Nowlan: I am not fooling with the member for Ottawa West (Mr. Francis), the member for Dartmouth-Halifax East, or wherever the hell he may be from, or with any other member. There will come a time when institutions will land and when people will land. It is time to be serious.

Some hon. Members: Hear, hear!

Mr. Nowlan: I agree with some of the litany opposite. I may not have been the most serious person when I started and I may be taking too long to make my point.

Some hon. Members: Hear, hear!

Mr. Nowlan: I agree with the "Hear, hears." What bothers me is that Bill C-184, and most other bills introduced in this chamber, are fine for one specific purpose. No one can take exception to them. However, as far as concerns the great malady, illness or sickness that is across this land tonight, they do not do anything to resolve the fact that there are "X" number of unemployed and "X" number of people on welfare. I am not suggesting that if this party were in power, as it was in 1960 and 1962, the same situation would not be in tune. I state to members opposite that I do not stand here tonight as a hypocrite. The member for Madawaska-Victoria (Mr. Corbin) can laugh, because he has not been through the battles. He is still a neophyte. In terms of eons of political time, I am on the moon and he is left in the swamp.

An hon. Member: There is no doubt that you are on the moon.

Mr. Nowlan: Many members opposite are not tuned in to the realities of this land. I was a visitor in the opposition lobby and in the opposition gallery.

Mr. Deputy Speaker: Order, please. Earlier the hon. member used a Latin phrase. If I could reiterate it, I suggest with great respect that he and I should be ad idem as to what is relevant before the House at this time. I invite the hon. member to return to being relevant.

Mr. Nowlan: I agree, Mr. Speaker. Your Honour has correctly chastised me. I have wandered to a degree. Frankly, I do not apologize for that. However, I accept Your Honour's direction. I will close my remarks as long as there are no interjections. That is not a bribe; it is blackmail. I support the Export Development Act. I suggest that we get on with it and pass it this evening.

Some hon. Members: Hear, hear!

Mr. Nowlan: I agree with that. I agree with the hon. member for Okanagan Boundary (Mr. Howard) exquisitely, profoundly and most articulately. Until the treasury benches, the Minister of Finance and the Minister of Industry, Trade and Commerce get together to develop a system whereby our exporters will get some tax relief from the floating dollar, we are pretending to be like Alice in Wonderland. I will continue this chapter at another time.

Mr. Deputy Speaker: Is the House ready for the question? Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

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

Mr. Jerome: Mr. Speaker, subject only to the consideration of the three members who are involved in the adjournment debate proceedings this evening, I feel we are ready to call it ten o'clock. However, in so doing we might embarrass some members who are expected to be here at ten o'clock to ask their questions. If not, I would certainly be prepared to proceed.

Mr. Knowles (Winnipeg North Centre): The first two members are here, and the third will be here shortly. We agree to calling it ten o'clock.

Mr. Deputy Speaker: Is it agreed that the Chair should call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

EXTERNAL AFFAIRS—SUGGESTION BY SOMALIA RESPECTING ELIMINATION OF TRADE WITH SOUTH AFRICA

Mr. Doug Rowland (Selkirk): Mr. Speaker, on Monday, November 30, I asked the Prime Minister (Mr. Trudeau) the following question, as recorded on page 1584 of *Hansard:*

Has the government of Canada had an opportunity to evaluate the suggestion put forward by the government of Somalia to the United Nations that South Africa's major trading partners

hold meetings to discuss ways and means of eliminating their trade with South Africa and, if so, is the government of Canada considering initiating such consultations?

In his reply the Prime Minister indicated that the placing of an embargo on trade with South Africa had been discussed on numerous occasions at the United Nations and that the major trading nations had succeeded in defeating any such move. The clear implication of his answer is that Canada has no intention of even surveying the possibility of precipitating talks of the type which Somalia has suggested. I submit that he rejected the idea without even looking at the speech by the ambassador of Somalia in which the suggestion was made.

• (9:50 p.m.)

I was very impressed by the presentation of the ambassador of Somalia. It displayed a reasonableness and sensitivity to the problems which would confront major trading nations should an embargo on trade with South Africa be imposed, which one can hope for but which one has no right to expect from the representative of an African nation discussing apartheid. The ambassador in his speech acknowledged the dislocation which might be occasioned within the economies of South Africa's major trading partners should an embargo be imposed. He acknowledged as potentially valid the fears of South Africa's major trading partners that total compliance with such an embargo might not be achieved, with the result that some nations might make considerable sacrifices only to see other less scrupulous countries profit by seizing upon the opportunity thus provided to increase their own exports to South Africa, thereby making the sacrifice fruitless. The ambassador also acknowledged the undesirability of committing the United Nations to actions which it could not follow through. The ambassador was simply asking that South Africa's major trading partners get together to seek ways and means of avoiding the problems I have outlined, in the hope that such talks might ultimately result in making it possible for the United Nations to take effective action against South Africa's racist government.

I was simply asking the Prime Minister if his government was willing to take the initiative in this regard. His answer to me implied a total lack of interest in the proposal, and the reasons for his lack of interest are not difficult to discover. First, the government's white paper on foreign policy makes it quite obvious that for as long as this federal government remains in office, Canada's primary foreign policy objective will be to make all the money it can. Answers which I have recently received to questions I placed on the Order Paper make it plain that in South Africa Canada is making more money with a vengeance. In answer to question No. 177 on the Order Paper I was informed that Canada's exports to South Africa in 1970 were expected to be approximately 30 per cent more in value than they were in 1969 and would likely exceed the 100 million mark. I realize the total value of our exports to South Africa, even at their

new level, represents only a small percentage of our total export trade. The point is that they are increasing at a proportionately high rate and that the increase represents a victory of the dollar over the human conscience.

If I may be permitted a brief aside at this point, I find it deplorable that this government's policies should have also resulted in a 30 per cent increase in imports of sugar from South Africa at a time when our imports of sugar from Caribbean nations, which desperately require the revenue thus to be gained, are dropping off. I submit that the unwillingness of this government actively to seek ways and means of reducing or eliminating trade with South Africa, let alone its permitting increased trade with that nation, is a cause for shame on the part of every Canadian. I submit that those who argue, as the Secretary of State for External Affairs often does, that there is nothing to be gained from isolating the South African regime—the corollary of which is that there is something to be gained through reinforcing it through trade—are engaging in the same sort of self-deception as those who put forward similar arguments with respect to Nazi Germany in the 1930's.

The authors of the *Black Paper* had this to say:

—the value of Canada's economic disengagement from southern Africa should not be measured in immediate economic terms. It is important that some at least of the western nations demonstrate publicly that they are more concerned with the denial of basic human rights in southern Africa and the implications this has for human dignity everywhere than they are with short run financial benefit. A stronger Canadian policy would help to prevent the southern African confrontation from becoming an alliance of the white and wealthy west against the black majority. Already the southern African issue is causing serious rifts at the United Nations and within the Commonwealth. It is in Canada's national interest that these institutions operate successfully and expand their capabilities as multinational, multiracial forums for the resolution of international tensions.

Surely it is not too much to ask that our government take the extremely timid step of beginning the discussions suggested by Somalia.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, following the question asked by the hon. gentleman I looked up the proceedings of the United Nations General Assembly to see the origin of the proposal that had been made by the ambassador of Somalia. None of the resolutions ultimately passed by the General Assembly contained, to our knowledge, the suggestion made by the ambassador of Somalia. I would have to get confirmation from our permanent mission in New York, but it would appear that there has been no follow-up whatever to the suggestion and no consultations have been initiated by anyone.

I might add, however, that we have carefully considered the general question of cutting off trade with South Africa. In the foreign policy papers which were published last year we discussed the issues that are involved. I would point out to the hon. member that the principle that Canada has adhered to for a long time, with the exception of sanctions which have been approved by the United Nations, is one of not refusing to trade with a nation because we disapprove of its form of government or find its action to be repugnant. I can assure the hon. member that the actions of the South African government in enforcing apartheid are as repugnant to us as they are to him.

We have been urged on many occasions to break off trading with countries because people do not agree with the policies followed by those countries. I would remind my hon. friend that we have been urged to break trading relations with Cuba and with Communist China. We have refused to do so. We believe that we should encourage trade as a means of making useful contacts between peoples. We believe that this is a principle that is worth preserving and that we should follow our practice, as in the past, of breaking trading relations only when sanctions are approved by the United Nations.

AIRPORTS—REGINA—MEETINGS WITH CITY REGARDING SALE OF CITY-OWNED PROPERTY

Mr. John Burton (Regina East): Mr. Speaker, for some time negotiations have been carried on between the city of Regina and the Department of Transport concerning the transfer of operations of the Regina municipal airport to the Department of Transport. One of the factors involved in making this transfer is an acreage of land that is still owned by the city of Regina but which was an integral part of the airport property. On January 15 I addressed a question to the Minister of Transport (Mr. Jamieson), as reported at page 2445 of *Hansard* as follows:

Will the minister be holding further meetings with the city of Regina with regard to the sale of city-owned property at the Regina airport? If so, will the minister inform the House when such meetings will be held?

The Minister of Transport replied that arrangements had just been made for a further meeting with the mayor and other officials of the city of Regina. Subsequently on January 29 I addressed another question to the Minister of Transport, reported at page 2894 as follows:

Can the minister indicate whether any progress was made at the meetings this week with the city of Regina concerning the proposed sale of land by the city to the federal Department of Transport at the Regina airport, and can he give any indication when we may expect to have an agreement signed on this matter and also dealing with the future operation of Regina airport?

The Minister of Transport answered:

Considerable progress was made at the meetings this week with the mayor of Regina and other officials of that city. As I recall the timetable, we are going to Regina practically at the same time as the meetings will be held in Saskatoon to which I referred a few minutes ago, and I would hope that if we do not resolve the matter completely at that time it will be sufficiently advanced so that the contracts can be signed and the whole deal completed within the present year.

• (10:00 p.m.)

I am very happy to see that progress has been made in resolving the problem at Regina airport. The purpose of my intervention is not to be at all abrasive in respect of

negotiations which are now going on. I welcome the fact that progress has been made and I note that negotiations are to continue. I hope they will be successful. I urge the government to do everything in its power to ensure that a satisfactory agreement is reached.

In this respect I want to outline a few matters which have been of concern to the people of Regina and area regarding this matter. I am going to deal with this in a somewhat disjointed fashion since a notice of motion for the production of papers which I placed on the Order Paper on December 15 has not yet been called by the government. That notice of motion asked for a copy of all correspondence and other documents concerning the proposed sale of land owned by the city of Regina at the Regina airport to the Department of Transport.

Some of the points concerned were dealt with in an article in the Regina *Leader Post* of December 11 last. I might say that this was prior to the recent meetings which were held. The article stated in part:

> Negotiations over the proposed sale of airport land in Regina to the federal government have been stalled, with the government refusing to accept the value placed on the land by two independent appraisers—

It was also noted as follows:

> Involved are 320 acres of airport land which the federal Department of Transport requires if it is to assume operation of the airport as it announced in 1967.
>
> In reports prepared this summer, the two appraisers, Warren-Hawes Real Estate and Vernon Peterson of the provincial highways department, had assessed the land value at $16,285 and $15,400 an acre respectively—

Later on in the article it is pointed out that there are other contentions made by the city which will presently be negotiated regarding the computed value of the rent of the land which is owned by the city and being used at the Regina airport operations since January, 1968, when the last agreement between the city and the Department of Transport expired. There was a statement made by the mayor of Regina, in December last, when he referred to one point upon which I should like to hear the comments of the parliamentary secretary. This was his statement:

> Since then the Minister of Transport and his department officials have consistently refused to accept the agreed appraisals and present them to the Treasury Board with recommendation for payment according to the agreement with the city—

Later on it was stated that last March the transport minister agreed that the price of the land would be established by two separate qualified appraisers. I hope the parliamentary secretary can throw some light on these matters and that progress will be made in negotiations. My purpose in drawing this to the attention of the government tonight is to urge the government to do everything to ensure that a satisfactory agreement is reached.

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, in the absence of the Parliamentary Secretary to the Minister of Transport (Mr. Duquet), who is unavoidably absent from the House, I am pleased to respond briefly to the question raised by the hon. member for Regina East (Mr. Burton).

The subject matter is one which has been around for some time in that preliminary discussions and subsequent negotiations between municipal representatives and transport officials have been under study for a number of years. The hon. member's original question was raised on January 15, at which time the Minister of Transport (Mr. Jamieson) informed the House of his initial conversation with the newly elected mayor of Regina, His Worship Mayor Walker.

Since that date the minister met with Mayor Walker in Ottawa on January 25 and reported that considerable progress had been achieved from their discussions. Then on January 29, in answering the hon. member's question, the minister stated that he would be going to Regina for further discussions with city officials and indicated that he was very hopeful that a contract could be signed at an early date. To be precise, I quote the minister from *Hansard* of January 29 as follows:

> —if we do not resolve the matter completely at that time it will be sufficiently advanced so that the contracts can be signed and the whole deal completed within the present year.

In conclusion, the Minister of Transport (Mr. Jamieson) asked me to inform the hon. member that he will be meeting this Saturday afternoon with a representative of Mayor Walker and with members of the Regina city council in Regina, and that he is extremely optimistic that satisfactory progress and conclusion can be reached from their discussion.

EXTERNAL AFFAIRS—PROPOSED OIL PIPELINE FROM PRUDHOE BAY TO VALDEZ, ALASKA—CONSULTATION WITH UNITED STATES AUTHORITIES

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, may I say at the outset how pleased I am to see the minister here during this adjournment debate. I presume he is here to respond to the question raised. Too often those of us who participate in these debates on a fairly regular basis receive a 3-minute reply prepared by someone in advance a reply which has nothing at all to do with the particular representation we make. So I welcome the minister here and look forward to his response.

In recent weeks various Members of Parliament have raised the question of the threat to Canada's west coast ecology by the transshipment of Prudhoe Bay oil, first by pipeline to Valdez Island, Alaska and then by tanker to Cherry Point in Puget Sound which is just a few miles from the Canadian border. Members from Esquimalt-Saanich, Edmonton East, Kootenay West and I have all been attempting, possibly fruitlessly, to spur the Department of External Affairs into action, but as yet—in spite of our representations—we received nothing in reassurance from the minister.

It seems that the Secretary of State for External Affairs (Mr. Sharp) has been unduly reticent about this extremely serious matter. I realize that it is fraught with difficulties for him. Tankers are currently being built by

the Bethlehem Steel Company in the United States which, according to my information, have a capacity of about 100,000 tons, and these are reputed to be planned to ply off our west coast for periods of up to 20 years. These 100,000-ton monsters are giants compared to the 18,000-ton *Arrow* which ran aground in Chedabucto Bay last year. At that time, the Minister of Transport (Mr. Jamieson) suffered at least a week of sleepless nights over this threat, and what could he expect if one of these 100,000-ton monsters went aground? I do not think the Minister of Transport can last as long as a month without sleep.

These 100,000-ton tankers in trouble can cause approximately six times the amount of damage that was caused by the *Arrow* grounding. In addition, this is a very sensitive area in Canada. The Boundary Bay, Puget Sound area is very close to our area and Puget Sound is the only marine productive area in Canada. Anyone familiar with marine productivity of tidal flats cannot fail to be alarmed at what a tanker wreck could do to Canada's south western ecology. I think it can be accepted that fishing could be ruined in large parts of our spawning areas for years to come and water fowl, resting and recreation areas such as beaches would also run the risk of being defiled for years ahead.

During the debate of the bill of the Minister of Transport to amend the Canada Shipping Act last October, a bill which was designed precisely to protect our shores from the kind of tanker pollution of which we are now fearful, my party strongly urged the minister to extend Canada's sovereignty in regard to pollution at least 100 miles off shore instead of the measly 12 miles proposed in the bill. Other countries have done this. The United States has gone out to its tidal shelf for a number of reasons into which I have not time to go now. Peru has done so; and even we saw fit to extend our sovereignty 100 miles out in the Arctic. If this had been done last October when we were debating the bill, if the minister had accepted the suggestion warmly, I think it would have served as a warning to the Americans that we will not tolerate the possible devastation of the Strait of Juan de Fuca.

• (10:10 p.m.)

In that case perhaps the oil companies concerned, who have obviously committed to this plan if oil tankers are under construction, might have been impressed with the need to locate their refinery further south instead of just on our border, perhaps in southern Washington, Oregon or California. However, this did not happen and we have been left with Hobson's choice: either Canada accepts tanker oil off our west coast or we may be moved to rationalize future Alaskan oil movement through the corridor which is now being proposed to carry natural gas. Either choice is agonizing. Simply put, the case is whether Canada is prepared to risk its marine or Arctic ecology. It is a horrid position in which to be put.

It is fair to say that U.S. energy demands are only beginning to be felt, and it behoves Canada to depart from its historic timid, perhaps deferential position of reacting to U.S. initiative, and instead began to assert its own initiative in this U.S. energy game. The United States are desperately short of energy because of their population growth and because they squandered their own resources during the last 200 years. Therefore, I submit that we are in a very strong bargaining position and we will be more respected if we begin to assert ourselves. One of the things that might be agreed upon is an Arctic corridor.

I am sure the minister is anxious to respond, Mr. Speaker, because I know he is concerned about the question. Perhaps he feels it is beyond his jurisdiction, but I would like to hear him agree with our concern and say that he has made preparation to discuss this matter seriously with Washington and offer alternatives.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the government shares the concern of the hon. member regarding possible damage to the coasts of Canada and the United States which could result from the massive movement of oil by tanker from Valdez to the United States Pacific northwest. We intend to discuss the hazards involved with the United States authorities at an appropriate time.

Oil spills would affect the United States as well as the Canadian coastline. This is a concern that we have in common. It really does not matter on the Pacific coast where a spill occurs, because some of it will affect both countries. In view of the interest which the United States shares with Canada in protecting the environment, it would be my hope that both countries will take such action as lies within their respective jurisdictions to ensure that the movement of oil does not despoil the Pacific coastline of our two countries.

So long as tankers confine themselves to the U.S. side of the boundary line, they will be wholly within United States waters. Canada, of course, cannot legislate concerning traffic on that side of the border. I say to the hon. member that even the declaration of a 100-mile or 200-mile limit would not affect the position in the Straits of Juan de Fuca. This is very much a problem that concerns our two countries and cannot be resolved by unilateral action on our part.

Mr. Rose: What about farther north?

Mr. Sharp: But that is not where the problem is going to arise. They are going to regularize this traffic through the Straits of Juan de Fuca.

However, it is the view of the Canadian government that a country is obliged to prevent activities within its jurisdiction from damaging persons or property within the territory of any other country through pollution of the environment. It might be of some value to request the International Joint Commission to study the risks of pollution which might result from heavy tanker traffic through the Juan de Fuca Strait. As the hon. member knows, the United States government is still studying environmental considerations relating to the construction of a pipeline across Alaska. We are following this matter very closely. However, I do not think it would be appro-

priate for us as a federal government to appear before any U.S. tribunal that is considering these questions, any more than we would consider it appropriate for the American government to appear before our tribunals. Our contacts must be much more direct. I am sure the hon. member recognizes the question of the dignity of our government in dealing with the governments of other countries.

In view of the harm which could result to the Canadian environment, we will be approaching the U.S. authorities at an appropriate time to seek their assessment of the risks of oil spills in the Pacific northwest if the proposed massive oil movements materialize.

Motion agreed to and the House adjourned at 10.17 p.m.

HOUSE OF COMMONS

Wednesday, February 10, 1971

The House met at 2 p.m.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

RATING OF CEREALS UNDER FOOD AND DRUG DIRECTORATE

Question No. 103—**Mrs. MacInnis:**

1. What Canadian cereals can claim to be a good source of protein under the Food and Drug Directorate rating scale?

2. What Canadian cereals do not qualify under the Food and Drug Directorate rating scale?

Hon. John C. Munro (Minister of National Health and Welfare): 1. On the basis of evidence in the possession of the Food and Drug Directorate in relation to the following cereals only, a statement made on the label or in an advertisement that one ounce of the cereal with four ounces of milk is a good source of protein, would not constitute an offence under the Food and Drugs Act: Kellogg's Special K; Cheerios; Shredded Wheat; Muffets; Hot cereals such as Rolled Oats and Red River Cereal.

On the basis of evidence in the possession of the Food and Drug Directorate, a statement made on the label or in an advertisement for High Protein Pablum and Gerber's High Protein cereal only, that the food is a good source of protein, would not constitute an offence under the Food and Drugs Act.

2. See answer to Part 1.

NUMBER OF PATENT APPLICATIONS FILED 1969-70

Question No. 632—**Mr. Saltsman:**

1. For the latest available year, how many patent applications have been filed in Canada by (a) residents (b) non-residents?

2. For the same year, how many patents have been filed for residents per 100,000 population?

3. Does the Government of Canada have similar information on patent filings by residents per 100,000 population for (a) United States (b) Great Britain (c) Japan (d) Switzerland (e) Sweden (f) Australia (g) Argentina?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. For the fiscal year 1969-70, (a) 1,814 and (b) 29,546.

2. Approximately nine.

3. (a) For the calendar year 1968, 67,180 patent applications were filed in the United States by nationals, and 26,291 by foreigners, which works out to approximately 35 applications filed by nationals/100,000 population. (b) For the U.K. the comparable figures are 26,711, 35,284, and 50. (c) For Japan the comparable figures are 71,114, 25,596, and 70. (d) For Switzerland the comparable figures are 5,928, 13,609, and 118. (e) For Sweden the comparable figures are 4,742, 13,338, and 53. (f) For Australia the comparable figures are 4,201, 12,511, and 28. (g) For Argentina the comparable figures are not known.

COST OF MOLASSES TO CANADIAN FARMER

Question No. 650—**Mr. Watson:**

1. Was there a change in the cost of molasses to the Canadian farmer following the sale in 1960 of Imperial Molasses Company to Sucrest Corporation and, if so, was the Minister of Agriculture requested by the Restrictive Trade Practices Commission to supply pertinent information?

2. Does the government have data or is information available on the comparison of prices of black-strap molasses as between Montreal-Toronto and Albany-Buffalo, N.Y. for the years 1960-70 and, if so, will the government undertake to have such information studied by the Minister of Consumer and Corporate Affairs?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Agriculture and the Department of Consumer and Corporate Affairs as follows: 1. The price of molasses increased between 1960 and 1961. Supplies of molasses in 1960 were at record levels, not equalled in any subsequent year. Lower supplies since 1960 have been a factor in higher prices since 1960. There is no record of any request to the Department of Agriculture from the Restrictive Trade Practices Commission to supply information respecting the sale of the Imperial Molasses Company to Sucrest Corporation.

2. Price information of the kind described is available. The Minister of Consumer and Corporate Affairs will have such information studied by the Director of Investigation and Research under the Combines Investigation Act to determine whether on its face it raises any question under that Act.

REFERRALS UNDER CANADA MANPOWER TRAINING PROGRAM

Question No. 680—**Mr. Orlikow:**

How many referrals were made each month in 1969 and 1970 in each province by the Department of Manpower and Immigration to community colleges and/or technical-vocational schools, etc., for Manpower Training Courses?

Questions

Hon. Otto E. Lang (Minister of Manpower and Immigration):

REFERRALS FOR FULL-TIME AND PART-TIME TRAINING
1969[1][3]

Province	April	May	June	July	August	September	October	November	December
Nfld.	238	97	13	19	75	3,034	798	395	108
P.E.I.	47	34	56	30	2	445	409	1,378	305
N.S.	577	496	278	235	100	3,684	482	557	425
N.B.	265	98	41	713	7	3,292	1,285	452	105
Quebec	1,633	1,097	835	512	552	26,039	18,204	18,212	5,580
Ontario	5,713	3,024	3,504	2,613	2,831	6,967	5,637	4,250	3,406
Man.	449	342	189	93	140	1,600	336	1,087	279
Sask.	416	197	40	32	73	1,168	677	174	32
Alta.	1,014	1,038	607	89	130	2,550	1,441	678	365
N.W.T.	5	—	1	—	46	2	4	13	12
N.C.	1,575	757	444	402	385	4,571	3,569	1,510	398
Yukon	20	41	24	38	33	90	153	11	16
Canada	11,952	7,221	6,032	4,776	4,374	53,442	32,995	28,717	11,031

REFERRALS FOR FULL-TIME AND PART-TIME TRAINING
1970[2][3]

Province	January	Febuary	March	April	May	June	July	August	September*	October*	November*
Nfld.	628	972	471	284	185	30	39	129	2,982	398	672
P.E.I.	646	432	85	44	10	19	30	1	474	171	451
N.S.	969	1,431	1,182	551	348	275	127	168	2,934	584	1,197
N.B.	2,398	760	864	598	89	61	461	6	3,280	455	1,000
Quebec	16,905	28,915	10,856	6,956	3,174	3,128	3,275	2,504	24,489	20,330	27,500
Ontario	7,968	5,265	8,233	7,255	4,574	3,465	3,097	6,231	4,198	6,728	3,601
Man.	920	457	567	535	140	109	59	266	1,382	570	1,394
Sask.	1,514	619	616	309	119	26	32	566	804	725	613
Alta.	2,751	1,202	1,867	1,243	1,042	491	103	1,570	1,451	1,332	1,013
N.W.T.	33	19	3	36	30	23	1	18	47	32	19
B.C.	3,593	2,045	1,293	1,614	1,129	827	411	1,541	4,121	3,045	3,100
Yukon	104	48	22	—	—	20	—	65	42	163	85
Canada	38,429	42,165	26,059	19,425	10,840	8,474	7,635	13,065	46,204	34,533	40,665

[1]Statistics for the months prior to April, 1969 were not maintained in the manner required to answer the question.
[2]Statistics subsequent to November, 1970 are not yet available.
[3]Persons being assisted under the Training-in-Industry Program are not included.
*Preliminary data, subject to adjustment.

TRANSCONA, MANITOBA—CONSTRUCTION OF BREWERY

Question No. 707—**Mr. Horner:**

Has the government, through the Regional Development Program or any other program, granted any money for the construction of a brewery in Transcona, Manitoba, near the old Catelli plant?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): No.

*PUBLIC WORKS PROJECTS

Question No. 710—**Mr. McCleave:**

1. What are the public works projects which make up the $23 million referred to by the Minister of Public Works at page 2401 of *Hansard* and what are their approximate amounts?

2. How many man-hours of work are estimated to be involved?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Minister of Public Works that capital projects, such as building construction and improvements to existing structures, will account for about $18,500,000 of the amount referred to on January 14. An additional $5,500,000 will be spent on small repair and maintenance projects which will be advanced in priority. A detailed and somewhat lengthy list of capital projects could perhaps be taken as read and published in *Hansard*.

The answer to the second part of the question is that it is estimated that 2,246 man years of work are involved.

Mr. McCleave: As the poser of the question, the course suggested by the parliamentary secretary is acceptable to me, Mr. Speaker.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

[Editor's Note: The list follows]

Province	Project	Amount ($000's)	Man-Years
Newfoundland	Wharf extension—Burgeo (Loan)	240	16
Quebec	Wharf improvements—Mont Louis	350	35
	Survey and shore assessment—St. Lawrence and Saguenay Rivers	2,000	200
	Various new remedial projects for marine works	1,400	140
	Acceleration of planned expenditures for construction and improvement of marine works	2,800	280
	Post Office construction		
	Asbestos	325	20
	Aylmer	250	15
	Gatineau	560	34
	La Salle	300	18
	Forest Research Centre, Hull	750	45
	Improvements to National Revenue Building, Montreal	1,000	60
	Improvements to Champlain Terminal, Quebec City	500	30
	Improvements to building, 15 Henderson St., Quebec City	200	12
	Improvements to Public Building, Sherbrooke	700	56
	Various minor new construction and improvement projects for buildings and property	1,500	90
	Acceleration of planned expenditures for construction and improvement of buildings and property	2,000	120
	Acceleration of planned expenditures for construction and improvement of roads and bridges	1,800	108
Manitoba	Wharf construction, Gimli	205	21
	Various new minor construction and improvement projects for buildings and property	517	31
Saskatchewan	Post Office construction: Colonsay, Sampman, Wilcox, Abernethy, Sintaluta	123	7
Alberta	Wharf construction, Joussard	16	2
	Various new minor construction and improvement projects for buildings and property	147	9
British Columbia	Float replacement and extension (general)	200	20
	Lighting replacement, Prince Rupert	25	3
	Wharf improvements, Masset	75	8
	Post Office construction		
	Chemainus	55	3
	Lazo	75	5
	Lytton	55	3
	Port Hardy	40	2
	Shawinigan Lake	25	2
	Customs and Immigration Building—Douglas	150	9
	Various new minor construction and improvement projects for buildings and property	150	6
	Total Capital Projects	$18,488	1,410

ASSISTANCE TO ABDUCTORS OF JAMES CROSS

Question No. 750—**Mr. Caouette:**

Has the federal government or any governmental agency given money to the abductors of Mr. James Cross to cover expenses on their first days in Cuba and, if so, what was the amount and what was its source?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): No.

CHEDABUCTO BAY AREA—VISITS BY DEPARTMENT OF FISHERIES AND FORESTRY OFFICIALS

Question No. 751—**Mr. Barnett:**

1. What communities in the Chedabucto Bay area were visited in the month of March, 1970, by officers of the Department of Fisheries and Forestry?

2. How many inshore fishermen in each community were interviewed for the purpose of determining whether they wished

to set gear for the taking of cod and/or herring prior to April 1, and, of these (a) how many responded in the affirmative (b) how many in the negative?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): 1.

South Side	North Side
Torbay	Port Malcom
Larry's River	Lower River Inhabitants
Little Dover	Whiteside
Blackduck Cove	Janvrins Harbour
Canso	West Arichat
Durell Island	Arichat
Half Island Cove	Petit-de-Gras
Philips Cove	Sampson Cove
Queensport	Petite Anse
Halfway Cove	Rocky Bay
Dorts Cove	D'Escousse
Guysborough	Poirierville
Ragged Pond	Poulamon
Oyster Point	St. Peters
St. Francis Harbour	Mark Point
King Point	Godie Point
Cape Argos	L'Ardoise
Red Head	Fourchu
Eddy Point	
Melford Point	
Mulgrave	

2. None.

OPERATION LIFT

Question No. 770—**Mr. Southam:**

1. What will be the total payments made by the government to farmers under the Operation Lift Program up to January 31, 1971 for (*a*) the summer fallow reduction plan (*b*) the forage crop plan?

2. What has been the total cost of administration of this program to date including PFAA officials and workers, aerial surveys, photography, etc.?

3. What are the government's plans in connection with carrying on the Operation Lift Program in 1971?

Hon. H. A. Olson (Minister of Agriculture): 1. (a) Payments with respect to wheat acreage reduction associated with increases in summer fallow acreage were $46,957,986 as at January 31, 1971. (b) Payments with respect to wheat acreage reduction associated with increases in perennial forage acreage were $8,433,900 as at January 31, 1971.

2. $1,771,351.93 as at January 31, 1971.

3. The government has no plans for carrying on Operation Lift in 1971 other than to complete payments with respect to 1970 increases in perennial forage as provided for in the Wheat Inventory Reduction Regulations.

FARM CREDIT CORPORATION PERSONNEL

Question No. 887—**Mr. Lambert (Bellechasse):**

By province, what is the total number of employees of the Farm Credit Corporation?

Hon. H. A. Olson (Minister of Agriculture): The Farm Credit Corporation advises that as of February 1, 1971, the answer is as follows: British Columbia, 17; Alberta, 97; Saskatchewan, 93; Manitoba, 39; Ontario, 210 (Including 107 at Head Office, Ottawa, Ontario); Quebec, 93; New Brunswick, 17; Nova Scotia, 2; Prince Edward Island, 5; and Newfoundland, 0. Total: 573.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

INFORMATION PERSONNEL PRIOR TO ESTABLISHMENT OF INFORMATION CANADA

Question No. 441—**Mr. Mather:**

1. What, by department and agency, was the number of information personnel, including clerical staff, employed by the government prior to the establishment of Information Canada?

2. What was the aggregate cost of such employment?

3. What is the number of information personnel, including clerical staff, today?

4. What is the aggregate cost of such employment?

5. What is the number of Information Canada employees including clerical staff?

6. What is the aggregate cost of such employment?

Return tabled.

PERSONNEL ENGAGED UNDER OPERATION LIFT IN SASKATCHEWAN

Question No. 779—**Mr. Thomson:**

1. What are the names and addresses of all the field inspectors and personnel who were engaged in field inspections under Operation Lift in Saskatchewan?

2. What are the names and addresses of all firms or individuals employed in aerial photography under Operation Lift in Saskatchewan?

Return tabled.

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Notice of Motion No. 187 is acceptable to the government.

AGREEMENT RELATING TO DEVELOPMENT OF LAST OAK PARK, SASKATCHEWAN

Motion No. 187—**Mr. Burton:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of an agreement between the Government of Canada and the Government of Saskatchewan providing for the development of the Last Oak Park in the Crooked-Round Lakes region of southeastern Saskatchewan.

Motion agreed to.

Mr. Jerome: Mr. Speaker, Notice of Motion No. 95 is acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the government authorities concerned.

Mr. Speaker: Subject to the reservations and conditions expressed by the parliamentary secretary, is it the pleasure of the House that Notice of Motion No. 95 be deemed to have been adopted?

Some hon. Members: Agreed.

CORRESPONDENCE RELATING TO ENVIRONMENTAL CONTROL, POLLUTION CONTROL, ETC.

Motion No. 95—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence, telegrams and other documents exchanged between the Department of Fisheries and Forestry, or any agency or branch thereof, and the Pollution Control Board of the Province of British Columbia relating to any aspect of environmental control, pollution control, ecological matters, industrial effluents and similar matters since July 1, 1968.

Motion agreed to.

Mr. Jerome: Mr. Speaker, may I ask you to call Notices of Motions Nos. 4, 70, 106, 148 and 174?

REPORTS ON KAMLOOPS CONFERENCE OF INDIAN CHIEFS

Motion No. 4—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all reports prepared by any employee of the Government of Canada or any agency, department or branch thereof and specifically, a Mr. Glynn and a Mr. Smith, who attended the Conference of Chiefs held in Kamloops, B.C. from November 17 to 22, 1969.

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member has requested a copy of reports prepared at the request of the Conference of Indian Chiefs during their meetings in Kamloops, British Columbia, from November 17 to 22, 1969.

This report was prepared for the Union of British Columbia Indian Chiefs and is in their hands. Since it contains remarks of a confidential nature we would prefer that any decision to release the report be made by the chiefs themselves. Under the circumstances I would hope that the hon. member for Skeena would withdraw his motion.

Mr. Howard (Skeena): Mr. Speaker, that is quite contrary to the information that was given last session.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

CONSULTANT REPORT REGARDING PLANNING FOR A LONG-TERM DEVELOPMENT STUDY OF CITÉ DU HAVRE, 1968

Motion No. 70—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report undertaken for Central Mortgage and Housing Corporation regarding the planning for a long-term development study of Cité du Havre in 1968, as mentioned in answer to Question Number 1,323 of the 1st session of this Parliament.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the consultant report on the planning of a long-term development study of Cité du Havre has not yet been formally presented to the Minister without Portfolio responsible for housing, nor to the Minister of Transport. Officials have been asked to study the report and make recommendations to the government on it. The report is therefore at this point a confidential one. Consequently it would not be in the public interest to table it at this time, and I wonder if the hon. member would agree to withdraw the motion.

Mr. Skoberg: Possibly we could allow it to stand until we see if it is still confidential after the cabinet sees it.

Mr. Speaker: Stand.

Motion stands.

MERCURY WATER POLLUTION

Motion No. 106—**Mr. Harding:**

That an Order of the House do issue for copies of all correspondence between the Department of Fisheries and Forestry and the Chemical and Pulp and Paper Industry regarding mercury water pollution in Canada.

[*Translation*]

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, mercury poisoning is a most serious matter. Nevertheless, we solicit the co-operation of the hon. member and ask him to withdraw his motion, since we have good reasons to apprehend less than spontaneous co-operation from the companies concerned, should we make such documents public.

[*English*]

Mr. Harding: I would like to have it transferred for debate, Mr. Speaker.

Mr. Speaker: Transferred for debate.

BRITISH COLUMBIA—WATER POLLUTION AND POLLUTION GUIDELINES

Motion No. 148—**Mr. Rose:**

That an Order of the House do issue for copies of all correspondence between the Department of Fisheries and Forestry and pulp mills in British Columbia regarding the pollution of B.C. waters and the pollution guidelines of the Department.

[*Translation*]

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, we would ask the hon. member to kindly withdraw his motion, considering that production of the papers mentioned therein could have very unfavourable effects on the present good relations between the Department of Fisheries and Forestry and the British Columbia pulp and paper mills.

[*English*]

Mr. Rose: Mr. Speaker, this is the answer I have received on numerous occasions, and my attitude is still the same. I request that the motion be transferred for debate.

Mr. Speaker: Transferred for debate.

Motions for Papers

BULKLEY BALLEY FOREST INDUSTRIES LTD.—CONTROL OVER WASTE FROM COMPANY'S PROPOSED MILL HOUSTON, B.C.

Motion No. 174—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all plans and specifications received by the Department of Fisheries and Forestry from Bulkley Balley Forest Industries Ltd., relating to the control over and treatment of the waste from that company's proposed pulp mill near Houston, B.C.

[*Translation*]

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, the plans and specifications mentioned in that motion belong to the Bulkley Balley Forest Industries Ltd. In my view, that is a valid reason for asking the hon. member to kindly withdraw his motion.

[*English*]

Mr. Howard (Skeena): Mr. Speaker, I think it is much more important that the people in the area know what is happening to their natural resources and their environment.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate. Shall the remaining Notices of Motions stand?

Some hon. Members: Agreed.

Mr. Speaker: Oral questions.

Mr. Hales: Mr. Speaker, I rise on a question of privilege concerning question No. 216 which was placed on the order paper on October 21 last. Two weeks ago I rose and asked that this question be answered but it has not been answered yet. It is a straightforward question affecting the Department of Supply and Services and the Department of National Defence.

Mr. Trudeau: Mr. Speaker, I wonder if I could have permission of the House to revert to motions to table the conclusions of the federal-provincial conference on the constitution?

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

And the House having reverted to Motions:

* * *

[*Translation*]

CONSTITUTIONAL CONFERENCE

TABLING OF STATEMENT OF CONCLUSIONS OF THIRD WORKING SESSION

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in accordance with Standing Order 41(2), I wish to table in the two official languages copies of the Statement of Conclusions of the Federal-Provincial Conference on the Constitution which took place yesterday and the day before.

[*English*]

Mr. Brewin: Mr. Speaker could the statement of conclusions that has just been tabled be made part of *Hansard* as they are of great interest to all hon. members?

Mr. Speaker: Is this agreed?

Mr. Knowles (Winnipeg North Centre): As an appendix.

Mr. Speaker: It is suggested that this document be published as an appendix to *Hansard*. Is this agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of statement of conclusions see appendix A.*]

[*Translation*]

Mr. Georges Valade (Sainte-Marie): No, Mr. Speaker.

Mr. Speaker, would the Prime Minister clarify the matter of the documents he has just tabled in the House in view of the fact that the French reads as follows:

La Conférence se déclare en accord avec cet objectif social et fondamental.

—whereas the English text, on page 8 of the document, reads as follows:

The Conference expressed its sympathy for this basic social objective.

I would ask the Prime Minister to specify whether the word "sympathy" is the equivalent of the word "accord" used in the French text.

Mr. Speaker: In my opinion, that question could be put by the hon. member during the oral question period.

* * *

[*English*]

WELFARE

TABLING OF REPORTS ON DEVELOPMENTAL APPROACH TO AND COST OF PUBLIC ASSISTANCE

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I wonder if I might have the permission of the House to revert to motions. I gave an undertaking to an hon. member opposite that I would table the task force reports on a developmental approach to public assistance and one relative to the cost of public assistance.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Munro: I think I have described the nature of the documents and I now table these reports.

Mr. Baldwin: Are you going to attach those to *Hansard* too?

ORAL QUESTION PERIOD

CONSTITUTIONAL CONFERENCE

INDICATION TO PROVINCIAL PREMIERS OF EARLY ANNOUNCEMENT OF GOVERNMENT'S INTENTION RESPECTING BUSINESS PROFITS AND UNREALIZED CAPITAL GAINS TAX PROPOSALS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Finance. Did the minister advise the premiers at the conference yesterday that the government expects to make an announcement in the very near future about its intentions regarding the implementation of various proposals contained in the white paper on taxation, particularly the proposal to cancel the 21 per cent tax on the first $35,000 of profits and replace it with the full 50 per cent tax levy and the proposal to tax unrealized capital gains, so that the confusion which is causing businessmen across the country to withhold decisions to expand operations, thus contributing to unemployment, may be removed?

Hon. E. J. Benson (Minister of Finance): That was a nice speech, Mr. Speaker, but the answer is no.

Mr. Hees: Mr. Speaker, did the minister then confine his offers of help to the provinces to the advice that they should raise their own taxes to fight unemployment which has been brought about largely by the mismanagement of the economy by the federal government?

Mr. Speaker: Order, please. That, of course, is an argumentative supplementary and I would not think a question could be asked in those terms. The hon. member for Egmont.

Mr. Hees: Mr. Speaker, may I—

Mr. Speaker: Order, please. The hon. member for Egmont has a supplementary question.

Mr. Hees: Mr. Speaker, may I put the question in an unantagonistic way?

Mr. Speaker: The Chair has recognized the hon. member for Egmont and will return to the hon. member in a moment.

PRIORITY OF UNEMPLOYMENT OR INFLATION—MEASURES AGREED UPON BY FEDERAL AND PROVINCIAL GOVERNMENTS TO FIGHT UNEMPLOYMENT

Mr. David MacDonald (Egmont): Mr. Speaker, in light of the minister's statement yesterday to the premiers that "The worst possible thing would be sudden inflation and a subsequent recession," has the government now dropped as its number one priority that which was indicated by the Prime Minister a few weeks ago, the fight against unemployment? If not, has the minister further measures to report from the conference yesterday, agreed upon by the federal and provincial governments in order to fight this number one priority, unemployment?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the Prime Minister has correctly stated that our number one priority is to fight unemployment. In my submission I simply raised the problem that as the economy grows throughout this coming year, which everyone thinks it is going to do under the policies we have followed, we then have to worry about inflation and make sure we do not find ourselves going around in a circle so that we face inflation again next year.

Mr. Bell: The Prime Minister says it does not exist.

Mr. MacDonald (Egmont): Mr. Speaker, perhaps I could ask the Minister of Finance to answer the question I put a moment ago, whether or not unemployment or inflation is the number one priority. I should also like to know what consideration is being given to a number of specific suggestions made by the provincial representatives over the past few days, particularly with regard to special tax adjustments or incentives?

Mr. Benson: Mr. Speaker, that is a rather long question to answer. With respect to unemployment, this is our prime concern. In this country, however, we must also worry about getting into another inflationary spiral. I remember that about six months ago hon. members opposite were saying that inflation was terrible, and although I assured them it was coming to an end—

Mr. Speaker: Order, please. We are getting into the field of debate at this point. Has the hon. member for Prince Edward-Hastings a supplementary?

Hon. George Hees (Prince Edward-Hastings): Yes, Mr. Speaker. As it is well known that the provincial premiers all pressed the government very hard for information about what it was doing with regard to unemployment and what assistance could be given by the federal government to the provincial governments, did the minister confine his efforts to help to the suggestion to them that they raise their own taxes?

Mr. Benson: Mr. Speaker, I did not at any time suggest that they raise their own taxes.

Mr. Hees: Mr. Speaker, is the minister claiming that he was misquoted in the press, because that is exactly what the press reports said?

Mr. Speaker: Order, please.

Mr. Benson: I did not read those press reports.

Mr. Hees: That is what they said.

Mr. Benson: I did not say that.

Mr. Speaker: Order, please.

Mr. Hees: So the press is wrong again so far as the minister is concerned.

Mr. Benson: They are.

Mr. Speaker: Order, please. Perhaps we might allow the hon. member who is seeking the floor a chance to ask his question.

Inquiries of the Ministry

REFERENCE OF FEDERAL GOVERNMENT'S SUBMISSION TO JOINT PARLIAMENTARY COMMITTEE ON CONSTITUTION FOR REPORT ON PROPOSALS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Prime Minister arising out of the communiqué he has just tabled. As some progress seems to have been made in reaching agreement about the procedures for patriating the constitution and devising an acceptable amending formula, is it the government's intention to send the federal government's submission to the Joint Parliamentary Committee on the Constitution in order that, hopefully, they may be able to bring down an interim report so that Parliament may be fully aware of the implications of these proposals?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the committee certainly has general terms of reference to study all the matters which were brought before the constitutional conference and which were the object of published white papers or position papers by the federal government. As the hon. member knows, the subjects covered yesterday were those subjects which had been listed in February, 1968, as being the object of the constitutional examination. Therefore, if the committee wants to look at these conclusions I am sure it will feel itself authorized to do so.

SPECIFIC PROPOSALS TO PREMIERS TO DEAL WITH UNEMPLOYMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since in the communiqué just tabled it is said that the "First Ministers discussed the unemployment situation across Canada, and expressed their concern for the problems being encountered by many Canadians this winter," can the Prime Minister tell the House what specific proposals the federal government placed before the first ministers in order to assist the provinces in dealing with the problems of unemployment mentioned in the communiqué?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is true that the federal and other governments expressed their concern about unemployment. Each government indicated the way in which it thought unemployment could be more appropriately countered. The federal Minister of Finance explained to that audience what the federal government had been doing and is doing to combat this very serious problem of unemployment.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a supplementary question to the Minister of Finance. Apart from telling the provinces that if they need more money they should go out and borrow it, may I ask whether he indicated to the provinces that any additional funds would be available for housing or public works, or that additional assistance would be available to meet the very high welfare costs which they are now experiencing?

[Mr. Speaker.]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I have already indicated to the House, and my hon. friend has no doubt heard me, that next year the federal government will be borrowing $2 billion to pour into the economy and that a large part of this will go into housing.

[*Translation*]

STATEMENT OF MR. BOURASSA ON GRANTS TO PROVINCES—DISCUSSIONS BETWEEN OTTAWA AND QUEBEC

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I would like to ask the Minister of Regional Economic Expansion a question concerning a statement made by Mr. Bourassa last night at the end of the constitutional conference.

The premier of Quebec is reported to have said and I quote:

—that for the federal government to make loans instead of grants to the provinces as economic incentives, as was the case with the $150 million approved recently, was unacceptable since it meant double taxation for the citizens of the provinces concerned; and that we had initiated negotiations—

Mr. Speaker: Order. The hon. member may, before asking his question directly, refer briefly to a statement that was made, but I do not think that he may quote it *in extensa* as he apparently wants to do. Perhaps he could get to the question proper.

Mr. Valade: Mr. Speaker, my question is based on this statement to the effect that Premier Bourassa had opened negotiations to this effect with the federal government.

Can the Minister of Regional Economic Expansion say whether negotiations have been held in this respect and whether he intends to comply with this reasonable request from Mr. Bourassa?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I was not aware that any negotiations had been held and before I venture to answer I shall read Mr. Bourassa's statement.

Mr. Valade: I would like to ask a supplementary question, Mr. Speaker.

When the minister has read that statement, will he then inform the House and tell us whether he intends to agree to that request of Mr. Bourassa?

Mr. Marchand (Langelier): Yes. Perhaps.

[*English*]

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question for the Prime Minister arising out of his answer a few moments ago. The Prime Minister stated that the Minister of Finance outlined to the provincial premiers what the federal government had been doing and intends to do about unemployment. Was this outline greeted with laughter or with tears?

Mr. Speaker: Order, please.

USE OF LOAN FUND BY PROVINCES

Mr. John Burton (Regina East): I have a supplementary question for the Minister of Finance. Can the minister say whether the province of Saskatchewan or any other province has indicated it will not be using its share of the new loan fund announced in the budget during the current fiscal year?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the province of Manitoba has not. The hon. member mentioned the province of Saskatchewan. I think we have received a letter from that province indicating that they will not be using the funds, in which case they will be available to other provinces that may find themselves in need of them.

AGREEMENT ON PATRIATION AND AMENDMENT OF CONSTITUTION IF APPROVED BY PROVINCIAL CABINETS

Mr. Eldon M. Woolliams (Calgary North): I have a supplementary question for the Prime Minister arising out of the answer he gave with regard to the amending formula. Provided the provincial premiers get the approval of their cabinets, will there then be agreement on bringing home the constitution and on the formula for amending the constitution in Canada?

Right Hon. P. E. Trudeau (Prime Minister): I hope that something of that kind will obtain, Mr. Speaker. I do not know in which way the various premiers and prime ministers will want to prepare themselves for the Victoria meetings in June. I imagine it will be as the hon. member suggests, that they will get authority from their cabinets to look at these proposals. I imagine they will do that more readily after we have negotiated amongst ourselves a text spelling out what was agreed upon in broad general lines yesterday, and that with this text in mind the various premiers and prime ministers will go to Victoria in June to see whether or not they agree to it.

Mr. Woolliams: As there now appears to be agreement, is the Prime Minister now considering the fact that the constitutional committee is travelling across the country, at a cost of thousands of dollars, looking into the same matter while the government and the premiers are making a deal apart from the committee? What is the purpose of the committee in this regard?

Mr. Trudeau: I am sure the member cannot object to the federal government negotiating with the provincial governments. It is not the purpose of the parliamentary committee to embark upon bilateral or multi-lateral discussions with the various provincial authorities. It is the purpose of the committee, and I understand they are performing it very well—

Some hon. Members: Hear, hear!

Mr. Trudeau: —to explore in depth some of the proposals which have been discussed between the various levels of government and to hear from the Canadian public the various opinions and representations that they want to make on these positions which have been taken by various levels of government. I must say that I and the other members at the conference felt that the work of the committee in past months has helped a great deal to impress upon all members of the conference the importance which the constitution has in the minds of the Canadian people and the urgency to achieve some results.

Some hon. Members: Hear, hear!

[*Translation*]

SOCIAL SECURITY—DIFFERENCE OF VIEWS BETWEEN OTTAWA AND QUEBEC

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a supplementary question to the Prime Minister with regard to the sharing of rights between the federal government and the provinces, in particular Quebec.

Are the differences of opinion between Quebec and Ottawa fundamental, with regard to the social security program Quebec wants to set up, regardless of what might be done by the other provinces?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, here is the position of the federal government: each province—this is stated specifically in the communique—is free, under the terms of the Constitution, to have the social security program that best suits the needs of its own citizens, within the limits of the jurisdiction it now has according to the Constitution.

Now, we went even further. We stated that one of the objectives of the federal government would be, as much as possible, to see to it that the federal policy, when applied in an area directly or indirectly related to social security, is co-ordinated as much as possible with the policy of the provinces.

In the next few months we shall discuss whether the social welfare and income security systems, at the level of the provinces and of the federal government, could be co-ordinated in such a way as to benefit the people—

Mr. Speaker: Order. The hon. member for Shefford would like to ask a supplementary question.

Mr. Rondeau: Mr. Speaker, by his reply, does the Prime Minister mean that the government intends to maintain its position with regard to social security programs, such as unemployment insurance which is the responsibility of the provinces, or will it agree to make funds available to the provinces so that the administration of family allowances, for instance, be part of established provincial programs?

Mr. Trudeau: Mr. Speaker, the government considers that unemployment insurance comes under federal jurisdiction, not under provincial jurisdiction, as the hon. member has just said.

We also took the position that the right of the federal government to give money to the citizens directly, in the same manner as it has the right to take money from them through taxes, is a right that we could not give up.

However, we are quite anxious to develop in the whole country a social security system which, once again, will serve the citizens.

[*English*]

SUBMISSION TO PARLIAMENT OF FINAL PROPOSAL TO AMEND CONSTITUTION

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to address this question to the Prime Minister. Will he undertake that any final proposal for the amendment in Canada of the Canadian constitution will be submitted to Parliament for its approval?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe this is the process which we would envisage. It is something to which I cannot commit all the other governments in Canada, but if there is accord on a text in detail in June the process would be, as stated in the communiqué, that we would ask for a resolution at the federal level in the normal fashion. I believe a resolution can only be obtained from the House, and on that occasion we would ask for a resolution supporting the government's approach which it would then, hypothetically, have agreed to in June.

I believe it would be the intention of the provinces to proceed in like fashion, although whether they would do it by way of resolution or statute I cannot say.

DISCUSSION OF INTERPROVINCIAL MARKETING OF AGRICULTURAL PRODUCTS

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question which also relates to the communiqué. As there has been some discussion about the constitution and unemployment, will the Prime Minister indicate to the House whether the problem in respect of barriers to interprovincial trade in agricultural products was on the agenda, was there a discussion in this regard with the various heads of the provinces, and what was the outcome of that discussion?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, this was on the agenda and I should be very surprised if it is not covered in the communiqué. It is covered under the title: "Canadian Interprovincial Marketing". We did discuss this at some length and we expressed the hope that Parliament would co-operate with the federal government to ensure swift passage of this legislation on marketing in order to permit us to introduce a bit of order into this whole process in Canada. We did express a veiled regret that the opposition had been so slow in co-operating in this regard.

[*Translation*]

HEALTH—NEGOTIATIONS BETWEEN OTTAWA AND QUEBEC

Mr. Roch La Salle (Joliette): Mr. Speaker—

Mr. Speaker: Does the hon. member for Joliette wish to ask a supplementary question?

Mr. La Salle: Yes, Mr. Speaker.

[Mr. Trudeau.]

In view of the outcome of the last federal-provincial conference and the social welfare proposals put forward by the Quebec Minister of Health, can the right hon. Prime Minister tell the House if the federal government is fully willing to negotiate before the next conference all the proposals made by the Quebec Minister of Health?

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, some meetings have already been decided upon in the field of health and welfare, not only with Quebec authorities but with the authorities of the other provinces as well, and we have also indicated—as I have just stated—our desire is to co-ordinate the programs at the various levels as much as possible.

I think it is important to note, so that we do not allow the success of the constitutional conference to distract us from the fact that we have also proposed—and it seems that everyone wishes that it comes through—a way to amend the constitution, in order that social security and all other problems that will not be solved before June might be eventually settled within a constitution made in Canada, by Canadians and for Canadians.

[*English*]

Mr. Speaker: Order, please. I notice a number of hon. members rising. I am not sure how many wish to ask questions supplementary to those which have been asked on the matter of the constitutional discussions, but I would suggest that perhaps at an early moment we might move on to the consideration of other subjects. For the moment, the Chair will recognize the hon. member for Charlevoix.

[*Translation*]

REPATRIATING OF CONSTITUTION—OFFICES OF GOVERNOR GENERAL AND LIEUTENANT GOVERNORS

Hon. Martial Asselin (Charlevoix): Mr. Speaker, with respect to the formula for repatriating the constitution, I believe it has been decided that if such a formula were accepted by the federal government and the provinces, a resolution would be passed requesting that all British legislation applying to Canada be repealed. Why should the posts of Governor General and Lieutenant Governors become exceptions?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the hon. member would consider the formula very closely, he will see that even these clauses could be amended eventually within the framework of Canadian constitution, provided the agreement of the federal government and of six out of ten provincial governments is first ascertained. There is nothing in the constitution, not even the post of Governor General, that could not be amended eventually with such an agreement as provided for in the repatriating formula.

Mr. Asselin: If I have it right, Mr. Speaker, the post of Governor General and Lieutenant Governors have been established under British laws. How come then that in the formula for repatriating the constitution, where we decide to repeal those British laws which apply to

Canada, we make an exception for the posts of Governor General and Lieutenant Governors?

Mr. Speaker: Order. I fear that we are somehow initiating a debate.

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask a supplementary question of the Minister of Finance in relation to his very interesting submission to the conference. Will he arrange to send a copy of these charts to each one of the unemployed so they will know that things are not really as bad as they seem?

[*Later:*]

[*Translation*]

PROVINCIAL UTILIZATION OF CREDIT TO OBTAIN CAPITAL

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to ask a question of the right hon. Prime Minister.

Among the rights that we intend to put into the new constitution, regarding the powers of the provinces, will the federal government agree that the provinces may use their actual credit to create the funds required for generating public capital?

* * *

[*English*]

AGRICULTURE

NATURE OF TENDER CALL FOR BROILER CHICKENS TO EXPORT TO FAR EAST

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, in the absence of both the Minister of Agriculture and the Minister of Industry, Trade and Commerce I should like to direct my question to any responsible minister or parliamentary secretary. Has a public tender call been made recently for the purchase of three million pounds of Canadian broilers for export to the Far East and, if so, will the minister investigate and provide information to the House as to whether or not this was truly an open tender call or whether it was designed to give a special advantage to producers in one province to the possible detriment of other producing areas?

* * *

GRAIN

PROGRESS OF NEGOTIATIONS ON NEW AGREEMENT TO REPLACE INTERNATIONAL GRAINS ARRANGEMENT

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the minister in charge of the Wheat Board. In view of the report from the Geneva meeting of the major wheat trading nations that only the hollow shell of the International Grains Arrangement will survive, can he inform the House whether the Canadian delegation has had any success in respect of its proposals, such as the retention of the food aid program?

Inquiries of the Ministry

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, it would still be premature to comment. As the hon. member knows, this is an international meeting, and to my knowledge no official communiqué has been issued yet. There was a further meeting this morning concerning items on the agenda and it is now expected that a communiqué, a press conference or a release by the secretary will take place very soon. It may be possible at that point for me to go further in indicating to the House where the negotiations stand.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, in view of rumours to the effect that this conference may collapse without suitable agreements being arrived at, will the minister immediately fly to Geneva with the object in mind of lending all support possible to the bringing about of a successful conclusion to this very important conference?

Mr. Lang: Mr. Speaker, I would not want to comment on the premise any further than I have already, but I may say that I have every confidence in our delegation at Geneva.

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CANADIAN BROADCASTING CORPORATION

PREFERENCE OF DIRECTOR OF INFORMATION FOR CANADIAN ACCENTS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, yesterday I asked a question in the absence of the Secretary of State in connection with a report concerning the Canadian Broadcasting Corporation having decided to get rid of non-Canadian accents. Is he in a position to report yet on the attitude of the CBC in this regard?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I have read the question asked in my absence by the right hon. member for Prince Albert. I forwarded the question to the CBC; I have not yet received any answer, but I know that it will be negative.

[*English*]

Mr. Diefenbaker: Mr. Speaker, I was wondering whether or not the minister had decided to put out a white paper on the meaning of "Canadian accents" so that all will understand the meaning that the CBC has in mind.

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AIR CANADA

DISCUSSION OF EMPLOYEE LAY-OFFS WITH MINISTER—ALLEGED REFUSAL OF UNEMPLOYMENT INSURANCE BENEFITS

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Transport. Can the minister report any further progress in his talks with Air Canada about a possible abatement of lay-offs of personnel?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, I have not had any further word other than

what I reported last Friday, but I will make additional inquiries and try to pass on the information as soon as I can.

Mr. Bell: Is the minister aware that laid-off Air Canada personnel are being refused unemployment insurance because it is stated that they will be rehired?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I discussed this problem this morning. I have no tangible evidence of this being the case, and certainly I would be hard-pressed to believe that anybody laid off by Air Canada would be refused unemployment insurance, particularly on the strength of the rumour or possibility that these people may shortly be re-engaged by Air Canada.

Mr. Woolliams: That may be a rumour from the Minister of Transport.

Mr. Mackasey: This would be a false premise and unfair to the workers, so I have asked the union whether they have any specific instances in mind and I will give them my personal attention.

Mr. Bell: Will the minister check with the Minister of Transport to ascertain whether there is going to be an abatement of these lay-offs? Surely some hope should be held out to these people.

* * *

NATIONAL SECURITY

RETURN OF PHOTOGRAPHS AND FINGERPRINTS OF PERSONS RELEASED WITHOUT CHARGE

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a question for the Minister of Justice. Have the Quebec Provincial Police destroyed or given back to the 435 individuals the photographs and fingerprints illegally obtained during the term of the War Measures Act, or has the minister instituted any procedures for their return?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I wrote to the Minister of Justice of the province of Quebec asking what he intends to do about this matter.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a supplementary question for the Minister of Justice. Since only 62 people were charged and 435 were released who were apparently arrested illegally, and as most of the 62 have been charged under the Criminal Code, is it the intention of the minister to withdraw the Public Order (Temporary Measures) Act as it is not applicable at this time?

Mr. Speaker: The hon. member for Egmont.

Mr. Woolliams: Mr. Speaker, you draw a little faster than we people from Calgary. The Minister of Justice was about to answer.

Mr. Speaker: From this distance this was not obvious to the Chair.

[Mr. Jamieson.]

COMPENSATION TO PEOPLE DETAINED AND RELEASED WITHOUT CHARGE

Mr. David MacDonald (Egmont): I would not want to prevent the Minister of Justice from answering the hon. member for Calgary North; when he answers my question perhaps he will answer his also. Can the minister indicate whether, in conversations with the provincial Minister of Justice or with his own colleagues, consideration is being given to compensating those who, because of having been detained over a period of time, have suffered economic or other forms of hardship and are still in a situation in which they need to be compensated in some tangible way for being detained unnecessarily and without any charges being laid?

Hon. John N. Turner (Minister of Justice): I have already indicated to the House that the Minister of Justice of Quebec has said publicly that if the ombudsman of the province of Quebec, to whom this type of complaint has been directed, is able to indicate to the Minister of Justice of Quebec that there has been economic loss, then those complaints will be seriously considered by the minister.

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DRUGS

ONTARIO ADDICTION RESEARCH FOUNDATION MARIJUANA RESEARCH PROJECT—PARTICIPATION BY FEDERAL GOVERNMENT

Mr. Frank Howard (Skeena): I should like to ask the Minister of National Health and Welfare a question relating to a program of the Ontario Addiction Research Foundation to pay a number of young gentlemen to smoke marijuana. Is the federal government or the minister's department participating in that program?

An hon. Member: They are all on pot over there.

Hon. John C. Munro (Minister of National Health and Welfare): It may be a valid research project to determine the effects of marijuana by the Ontario Addiction Research Foundation which has possibly one of the finest reputations in this connection in Canada. As to whether it has been in any way funded by the department, I cannot say precisely and I will try to answer the question tomorrow.

Mr. Howard (Skeena): I did not ask whether it was being funded by the department. I asked the minister whether or not his department was participating with the Ontario Addiction Research Foundation in that program. I ask the minister to look into the question of whether or not the marijuana that is being used was grown under ideal conditions by the federal Food and Drugs Directorate specifically for this purpose and these tests, and whether or not this is another of those harebrained crackpot ideas that have no relevance—

Mr. Speaker: Order, please.

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

REQUEST FOR MEETING OF STANDING COMMITTEE

Mr. J. P. Nowlan (Annapolis Valley): I should like to direct a question to the Secretary of State. In view of the fact that this is the 73rd day of the third session of this Parliament, would he consult with his colleague, the President of the Privy Council, to arrange a meeting of the Committee on Broadcasting, Films and Assistance to the Arts to look into certain problems of the CBC and CRTC, youth reports and so on, so the committee can get on with its work?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I believe, Mr. Speaker, that my department's estimates will soon be referred to the committee. The latter will at that time be able to consider the questions about which the hon. member is concerned.

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AIR CANADA

IMPROVEMENT OF SERVICE BETWEEN MONTREAL AND ROUYN-NORANDA

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Transport.

Has he had discussions with the management of Air Canada with a view to improving air service between Montreal, Val-d'Or and Rouyn-Noranda in northwestern Quebec?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I have had discussions about the particular routes to which the hon. member referred as well as on the whole issue of regional air policy as it relates to Air Canada. But of course it is up to Air Canada in the first instance, or the regional carrier, to apply for a change in routes. To my knowledge, no such formal application has been made to the Canadian Transport Commission as of now.

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MANPOWER

SUGGESTED REPLACEMENT OF MANAGER OF EDMONTON OFFICE

Mr. Steven E. Paproski (Edmonton Centre): My question is for the Minister of Manpower and Immigration. As the manpower office in Edmonton is operating like a football team with no coach or quarterback, would the minister please state when he hopes to change the local manager, and if he cannot find a capable man would he consider a capable woman?

Inquiries of the Ministry

CANADIAN BROADCASTING CORPORATION

PROGRAM "SESAME STREET"—CLASSIFICATION OF CONTENT—EDUCATIONAL VALUE

Mr. Paul Yewchuk (Athabasca): My question is for the Secretary of State. Has the minister had an opportunity to see the CBC television program "Sesame Street"? Would he classify it as United States content and does he think it is a worth-while educational program?

Mr. Speaker: Order, please. The hon. member is inviting the minister to express an opinion. I think that in those terms the question is not in order.

Mr. Yewchuk: May I rephrase my question, Mr. Speaker.

Mr. Speaker: The hon. member for Lisgar.

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TRANSPORT

REPRESENTATIONS BY WESTERN GRAIN PRODUCERS CONCERNING EFFECT OF POSSIBLE SEAWAY TOLL INCREASE

Mr. Jack Murta (Lisgar): My question is directed to the Minister of Transport. Would the minister say whether any representations have been made to his department on behalf of western Canadian grain producers with regard to the adverse effects these producers will suffer if tolls are increased on the Canadian section of the international seaway?

Hon. Donald C. Jamieson (Minister of Transport): If there is any such interest in western Canada from which I have not heard, I shall be much surprised. I certainly have.

* * *

GRAIN

PRODUCTION AND RECEIPTS POLICY—INTRODUCTION OF LEGISLATION AND DISTRIBUTION OF MONEY PRIOR TO SPRING SEEDING

Mr. A. P. Gleave (Saskatoon-Biggar): May I ask the minister in charge of the Wheat Board whether, since the outline of the minister's proposed grain stabilization program has now been before the public since October of last year, and since many farmers in western Canada are now making plans for spring seeding operations, he can now tell the House how soon legislation will be brought in to implement all or part of these proposals?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Our discussions with the producers and other interested persons are continuing. We hope with regard particularly to those matters in the program which are relevant to spring planting that we shall be able to make some announcements before very long. As hon. members know, there is in the proposals some indication of hope

for an announcement before March 1, and it is still my hope we shall be able to keep to that date.

Mr. Gleave: Since the white paper involves at least tentatively the distribution of $100 million to farmers during the current crop year, can the minister inform the House whether all or part of this money will be distributed to farmers prior to seeding?

Mr. Lang: I doubt that the money involved will be available prior to seeding. This, of course, is part of the whole question of the proposals and their implementation. We are conscious, of course, of the desirability of having this money in the hands of the grain producers as soon as possible, and I hope that as the legislation comes forward it may secure speedy passage so that this can be accomplished.

SUGGESTED AMENDMENT OF REPAYMENT FORMULA UNDER PRAIRIE GRAIN ADVANCE PAYMENTS ACT

Mr. Don Mazankowski (Vegreville): Having regard to the critical shortage of cash among western grain producers and because of the current low prices received for grain, would the minister give serious consideration to amending the repayment formula and having it fixed at a more manageable rate in connection with the repayment of advances under the Prairie Grain Advance Payments Act, thus enabling producers to have a better opportunity to assemble sufficient cash for spring operations?

Mr. Speaker: Order. It would seem to me the hon. member's question is in fact a submission.

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POLLUTION

PROVISION OF ADEQUATE TREATMENT FACILITIES IN CHURCHILL FOREST INDUSTRIES PROJECT

Hon. W. G. Dinsdale (Brandon-Souris): I wish to direct a question to the Minister of Fisheries and Forestry arising from his reply to an earlier question with respect to the pollution threat at the Churchill Forest Industries project. The minister said he intended to meet with the provincial minister concerned. Now that he has done so, is he satisfied that pollution control is adequate and, if not, what action is he taking?

Hon. Jack Davis (Minister of Fisheries and Forestry): We are not satisfied that the measures which are being taken are adequate as presently planned. However, our officials are meeting and discussing this problem in greater detail with the province to ensure that the new quality standards will be met at the new mill in the north.

Mr. Dinsdale: Is Ottawa represented on a continuing basis on the clean environment committee in Manitoba?

Mr. Davis: No, that is a provincial committee.

LABOUR RELATIONS

DISPUTE BETWEEN HUDSON BAY MINING AND SMELTING COMPANY AND EMPLOYEES—ASSISTANCE OF DEPARTMENT OF LABOUR

Mr. Robert Simpson (Churchill): I have a question for the Minister of Labour. In view of the possibility of an extremely difficult economic situation arising as a result of the labour dispute at Flin Flon, Manitoba, can the minister say whether he or his officials have any plans at the present time to approach the two parties concerned in an attempt to have them arrive at a satisfactory solution?

Hon. Bryce Mackasey (Minister of Labour): The strike at Flin Flon has serious repercussions on that community because of the importance of the Hudson Bay Mining and Smelting Company. We are watching the situation very carefully but as yet we have received no official request from either of the parties concerned for the mediation services of the Department of Labour.

Mr. Simpson: A supplementary question—

Mr. Speaker: Order. I suggest to the hon. member and to all hon. members, since we are reaching the end of the question period, that for the next two or three minutes perhaps we should forgo supplementaries. The hon. member for Churchill has referred to an important matter and perhaps he might be given an opportunity to ask supplementaries later on or tomorrow.

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WELFARE

ESTABLISHMENT OF DAY-CARE CENTRES

Mr. P. B. Rynard (Simcoe North): I should like to address a question to the Minister of National Health and Welfare, knowing his great interest in this subject. Would he tell us how soon we may expect to see day-care centres established?

Hon. John C. Munro (Minister of National Health and Welfare): This question was discussed at some length with the welfare ministers and they were urged to submit cost-sharing projects without delay under the Canada Assistance Plan. I hope many projects will be forthcoming.

* * *

FISHERIES

SWORDFISH—ASSISTANCE TO FISHERMEN BECAUSE OF POLLUTION

Mr. Robert McCleave (Halifax-East Hants): I have a question for the Minister of Fisheries. Has the hon. gentleman now evolved proposals to ease the capital debt position of those engaged in the swordfish industry which is being closed down because of mercury pollution?

Hon. Jack Davis (Minister of Fisheries and Forestry): There have been intensive discussions in Nova Scotia with the swordfish industry concerning alternative sources of employment for fishermen and helpful recommendations are being awaited.

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CONSUMER AFFAIRS

INTENTION OF BRITISH COLUMBIA TELEPHONE COMPANY TO INCREASE RATES—REPRESENTATIONS BY DEPARTMENT

Mr. Barry Mather (Surrey): I have a question for the Minister of Consumer and Corporate Affairs on a subject which I raised yesterday. In his absence I believe someone on the other side took notice of it. Having in mind the action of the British Columbia Telephone Company in seeking a substantial increase in telephone rates, which, if granted, would result in increased living costs for many in British Columbia, would the minister and his department concern themselves with this situation, perhaps to the extent of making representations on behalf of the consumers to the federal agency to which the B.C. Telephone Company is applying?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The rates are regulated by the Canadian Transport Commission which I trust would take into account in its deliberations the interest of the consumers.

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[*Translation*]

CONSTITUTIONAL CONFERENCE

RIGHTS OF PROVINCES TO SELF-DETERMINATION

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

During the recent federal-provincial conference, has any of the provincial premiers raised the question of the right of provinces to self-determination?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is not the custom for a government to make known the positions adopted by other governments during an "in camera" conference. I believe the rule is for each government to express its own position, the communiqué mentioning only such discussions as have had agreement of all governments. The hon. member will have to direct his question to the premiers of the different provinces.

* * *

[*English*]

REGIONAL ECONOMIC EXPANSION

ESTABLISHMENT OF FEDERAL-PROVINCIAL DEVELOPMENT CORPORATION IN NEWFOUNDLAND, QUEBEC AND NEW BRUNSWICK

Mr. James A. McGrath (St. John's East): I should like to ask the Minister of Regional Economic Expansion whether cabinet approval has been given to the establishment of a federal-provincial development corporation in Newfoundland and whether similar corporations are planned for Quebec and New Brunswick?

Hon. Jean Marchand (Minister of Regional Economic Expansion): The answer to the first question is no. As far as New Brunswick is concerned, I think we are about to announce the formation of a corporation.

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MANPOWER

BRITISH COLUMBIA—NUMBER OF APPLICANTS FOR UNEMPLOYMENT INSURANCE BENEFITS—BUREAU OF STATISTICS UNEMPLOYMENT FIGURE

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Manpower and Immigration. Since the regional director of the Unemployment Insurance Commission in British Columbia has indicated that as of January 23, 1971, 105,400 residents, or 12 per cent of the British Columbia labour force, were unemployed or had applied for coverage, has the minister checked this figure, which is an actual count of those seeking work and is approximately 50 per cent higher than the figure issued by the Dominion Bureau of Statistics—

Mr. Speaker: Order, please.

[*Later:*]

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

Mr. Speaker: Perhaps the hon. member has a valid point of order. I realize the hon. member asked a question, and perhaps as we proceeded a little too quickly he did not have an opportunity to get a reply. The minister may remember the question and perhaps he might answer it now.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the hon. member referred to certain figures which I would be glad to have him verify with my colleague the Minister of Labour, if that is what he is interested in. Of course we have had discussions before on the fact that there are available different reports of figures measuring different factors in relation to the unemployment situation, so that is nothing new.

* * *

FISHERIES

POSSIBILITY OF NEGOTIATIONS WITH RUSSIA ON OVER-EXPLOITATION OF NORTH ATLANTIC RESOURCES

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): I have a question for the Minister of Fisheries. Will the minister advise the House whether the delegation from his department which was in Moscow last month has advised him that negotiations are possible with the Russians on the over-exploitation of fishery resources in the North Atlantic?

Hon. Jack Davis (Minister of Fisheries and Forestry): I have received no specific recommendation from that com-

mittee. We are continuing to explore every possibility for negotiations on this important subject with the U.S.S.R.

Mr. Peddle: A supplementary question—

Mr. Speaker: Hon. members will recognize that we have gone beyond the question period. I invited the co-operation of hon. members to forgo supplementary questions, and perhaps we should call orders of the day now.

• (3:00 p.m.)

GOVERNMENT ORDERS

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed, from Tuesday, January 19, consideration of the motion of Mr. Benson, that this House approves in general the budgetary policy of the government.

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, there is a great deal of thinking in the country now, and I believe it is taking hold quite broadly, that economic conditions are beginning to show signs of upward trends in North America. The signs seem to be becoming more positive all the time. One of these indicators is the expected pace of home building this year or, rather, the pace and the nature of home building in 1971. Nobody can deny that both are strong and healthy this year. Therefore, I think we might begin to recognize that quite a few things are going right in Canada too. Our expectations are that there will be 220,000 housing starts in Canada in 1971—

Some hon. Members: Hear, hear!

Mr. Andras: —which is well over the previous record of 210,000 starts in 1969. Moreover, the emphasis of the government on homes for the low in income, where the chief needs really are, will be continued. So, Mr. Speaker, there will be an accelerated and buoyant housing program in Canada this year. This accelerated program will pump substantially more jobs and more spending into the Canadian economy and its effects will be felt quickly at a time when jobs are the Canadian priority. Jobs are the absolute Canadian priority right now, Mr. Speaker, and caring for and response to the most felt needs of today mark what we must do.

Equally important, when the people most in need of our concern are those who must worry most about decent shelter as well as jobs, a very large part of the building activity will be directed to modest and low-income housing. I am talking about home ownership for low to middle-income families, public housing and low rental housing. This is our thrust. Its benefits will reach importantly into Canadian society over the long haul and in trying to deal with today's most urgent needs. These prospects are reflected in the 1971 capital budget of Central Mortgage and Housing Corporation which I now wish to table in the House. This budget is the federal government's main strategic instrument for affecting the housing conditions of Canada and for helping to shape urban form and process. Because we have followed a target of at least one million new homes over the five years 1970 to 1974, increasing federal assistance when the private market slackened as it did last year, we have kept house production and mortgage flow on a more even keel. We are beginning to find ways to avoid the old boom and bust cycles.

This year's total budget is $942 million, represented by $902 million plus a previously announced $40 million, against the original 1970 budget of $854 million. It will assist in the production of about 220,000 starts during the year. There will be an expected 165,000 starts by a private market that is resurging as mortgage rates drop and mortgage money becomes significantly easier, and frankly, to my encouragement, as the lending institutions appear to be accepting their obligation to the social needs of housing as well as to profit opportunities. The remaining 55,000 housing units will be financed by CMHC in co-operation with our partners in the provinces and other sponsors. In addition, of course, to the $942 million capital commitment, the CMHC expenditure budget in 1971 is $67 million, as will appear in the estimates to be tabled shortly.

I would like to explore for a minute the economic impact of the residential building in store for this year. New housing construction has one of the highest labour contents of any major economic activity. Each new dwelling unit provides at least two man year's of employment on site and in the production of building materials. This is direct employment, which is only part of the story. In 1970, in spite of the forecasts of doom and disaster there were 190,000 units started, the third best year in Canada's history, despite the economic conditions that slowed down private market activity. The federal government played a major part in keeping the pace active last year. In August, as hon. members may remember, we extended the original 1970 CMHC capital budget by $240 million, the great bulk of which went to low-income housing.

In 1971, as I have said, the prospect is for 220,000 starts. In addition, from last year there are 148,000 dwellings under construction and to be completed during this year. In direct employment alone these starts and completions will mean a minimum increase of 60,000 man year's of employment in housing construction in 1971. The beauty is that house building work is turned on quickly. We have made estimates which show that from the approval of a loan to start of construction, to the employment of people, can be as little as 40 days and certainly under 90 days. The job-providing impact will be even higher in the first half of the year than for the whole year because of the work on dwellings already started. Of course, there are many indirect employment benefits as well. To cite a relatively small but important one, the residential building increase this year implies additional employment of about 2,000 man-years simply because people, when they move into new homes, spend about $1,600 per home on new furniture, appliances, drapes and the like Then further up the scale, this year's housing

program is equivalent to building a city of close to a million people. That bespeaks new or expanded streets, sewers, schools, shopping centres and other facilities and adds another 6,000 or more new jobs.

• (3:10 p.m.)

The biggest economic impact, one generally dispersed throughout the economy, comes from the spending of income by workers who would otherwise be unemployed. That provides another 70,000 or 80,000 man-years of new jobs. In all, Mr. Speaker, the new jobs created directly and indirectly simply by the increase in residential building activity will total 140,000 to 150,000 man-years. That is a very substantial part of the unemployment picture. Therefore, housing construction in 1971, in spite of all the derisive and almost wishful comments from the opposition, will greatly aid Canada's employment picture.

An hon. Member: We told you that two years ago.

Mr. Andras: The pace of construction has a vibrant look this year, for several reasons. The federal government will directly support lower priced housing substantially again this year, almost to the exclusion of support for higher cost housing so far as the CMHC budget is concerned. The low to medium priced homes are not only where the need is but, as builders are rapidly learning, where the market is. The higher priced market is in many places overbuilt and demand is soft. The government, to provide housing but also to spur employment is pressing its housing program now. More and cheaper money is becoming available for private mortgages. I am in continuing contact with major lenders and major pension trusts who are showing signs of responding. They have given me strong indications that they are prepared to put large amounts of money into modest income housing.

An hon. Member: Could I ask a question?

Mr. Andras: Mortgage rates may well drop somewhat further this year. We are reaching this more optimistic position partly because the federal government set the stage for it.

An hon. Member: Would you allow a question?

Mr. Andras: I have mentioned the additional $240 million last August, funds which went mainly to the building of most income housing. Also, at the beginning of last year I reserved $200 million of CMHC mortgage funds for a special program to seek innovative ways to build homes for owning and renting by families earning as little as $4,000 a year. The plan worked well. Commitments under this program were made for just under 15,000 units with some carryover still to come. That had to be something of a crash program for we were forced to gear it to starts made during 1970 since the private market was slipping. But it provided excellent experience and lessons in new forms of tenure and land use, new methods of financing, imaginative mixes of commercial with residential building so that the commercial would help pay for the residential.

Favourable National Housing Act lending terms of 7⅞ per cent and 8 per cent were provided for the building of low-rental housing projects public housing, student housing, sewage treatment and land assembly projects. I am happy to announce, Mr. Speaker, that these special interest rates from today are lowered further, both to 7½ per cent.

Innovation—the essence of our approach last year in the $200 million program—the search for and the incentives for new ways to build good housing cheaper, will continue to be sponsored by the government this year. For 1971, $558 million has been reserved for the provision of housing for low-income Canadians through sections 35 and 16 of the National Housing Act. Of this, $253 million has been allocated for provincial housing programs. Another $295 million is allocated for section 16 lending under the National Housing Act. Under this section non-profit organizations, governments, entrepreneurs and sponsor groups can evolve special housing projects for elderly people, families of low income and other disadvantaged persons. The relatively low interest charges make relatively low rents possible.

These funds will produce 38,000 housing units designed specifically for the low-income market. Thus, in the three years 1969-71 commitments will have been made for 113,000 such dwelling units. The measure of that progress is that only 82,000 such units were committed in all of Canada's time up to 1969. This is not to say I am satisfied or complacent, but it is a positive indication of progress.

In addition to the specifically designed low-income units, Mr. Speaker, we have increasingly been devoting funds under section 40 of the National Housing Act to low-income application. The allocation of funds for section 40 this year is $172 million. It is directed at new building in resource towns and small urban centres and also at the rehabilitation and/or purchase of existing homes anywhere in Canada. In addition to those self-contained housing units. the new budget—$789 million all told—will finance 14 450-bed hostels for elderly persons and students.

While the 1971 budget continues to give primary emphasis to housing concerns, it also provides $153 million for urban infrastructure. That includes $87 million for sewage treatment projects, $43 million for land assembly and $20 million previously committed to urban renewal. I would be the last to claim that the housing activities of a nation—still less of one government—could be adequately summed up in a listing or programs. I do believe, however, that following the important activities of my predecessor and his 1968-69 task force on housing and urban affairs—

Some hon. Members: Hear, hear!

Mr. Andras: —and during the almost two years that I have held responsibility at the federal level for housing, major steps have been taken. A new importance is attached, countrywide, to the housing needs of Canadians, and not just by numbers. The climate or relations among all levels of government in focusing on these needs has perceptibly improved. In dramatically shifting

emphasis to the housing needs of low-income Canadians, priorities have been clearly defined. More Canadians will either have to swallow their rhetoric on poverty or get in with us and support our efforts to provide more housing for people on low income.

I also urge the provinces and the municipalities to do more of that which only they can do. Let them make use of the national building code, which no other level of government can force upon them, for instance. Let provincial governments review the recommendations of the 1968-69 task force on housing. Nearly all the recommendations that were purely federal in scope have been implemented. It is true that some requiring provincial, municipal or private sector response have not been acted upon. We must all act in concert as much as possible. We recognize more than ever before that housing and all the complex environment of urban living is interspliced. like the structure of an atom, with many other issues such as jobs, poverty, pollution, transportation, education—the whole range of contemporary matters.

• (3:20 p.m.)

We at the federal level are seeking every possible method of defining real need wherever it exists and trying to meet those needs, whether it is a study of the housing needs of Métis people in Alberta or Saskatchewan, the disadvantaged in the territories or the very special requirements, of the old people. The fact is that these needs should never be treated as simple, single and isolated one from the other. Therefore, no one level of government is capable of coping in isolation from the others. As our cities and city systems grow larger, and there is every indication that that is the way we are heading, that factor of interdependence will become ever more the case.

These complexities are what should be discussed and, who knows, resolved by a much closer working together of the various levels of government. We are starting such a process with the provinces. We hope that preliminary talks now going on will result in a trilevel—federal, provincial and municipal—meeting on urban problems and priorities later this year. These discussions, Mr. Speaker, can well influence National Housing Act programs as we move toward careful and deliberate efforts to order together our urban lives.

If I may sum up, we forecast 220,000 starts this year. We forecast an increase, as a result of this increase in starts, of between 140,000 and 150,000 man-years of work. That means more jobs, which are needed most of all in this country today. The budget will be $942 million. The capital budget of CMHC will continue to emphasize the need for us to work with the private sector in the provision of housing in the low-income sector where there is a great need. May I have the permission of the House to table the capital budget for 1971 of Central Mortgage and Housing Corporation, in both official languages?

Some hon. Members: Agreed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wonder whether the minister, before tabling that document, would permit a question. Having listened to the minister's impassioned appeal to the provinces and other bodies to get behind the housing program, may I ask him why the Manitoba government, which submitted proposals for a $55 million public housing project, has just been informed by CMHC that because of the unavailability of sufficient funds this project is being reduced to $31 million, which is a reduction of 40 per cent? In view of the minister's appeal to the provinces to get busy, it seems to me that this is not the best way to encourage them to support public housing and thereby increase employment.

Mr. Andras: Mr. Speaker, the optimist sees the doughnut and the pessimist sees the hole. I would have been delighted to have been able to give Manitoba the exact sums asked for, because they are embarked on a sophisticated five-year planning program, which we encourage. We are giving them three times as much as we gave them last year. Notwithstanding the $942 million budget, we had to make some allocations. Most provinces have asked for more than we can give them out of that budget. It was ever thus. I share the hon. member's concern that there are certain constraints within the budget. It is, nevertheless, very, very satisfactory.

Some hon. Members: Hear, hear!

Mr. Brewin: Mr. Speaker, I should like to ask—

Mr. Speaker: Order, please. I understand that the hon. member for Greenwood (Mr. Brewin) is seeking permission to ask the minister a question. Is it agreed that the hon. member shall have permission to ask a question before the hon. minister resumes his seat?

Some hon. Members: Agreed.

Mr. Brewin: Mr. Speaker, I have raised this question with the minister from time to time. It has to do with increased federal assistance for the rehabilitation of existing housing stocks. The minister mentioned this matter in his speech today. In view of the great importance of a vigorous rehabilitation of the housing program to help us meet the unemployment crisis, can the minister say whether vastly expanded action in this field is contemplated by the government?

Mr. Andras: Mr. Speaker, it is our intention—and my reference to this matter was deliberate in the statement I made—to emphasize that the rehabilitation approach will be escalated over anything we have done in the past.

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I have listened with a great deal of interest to the remarks of the Minister without Portfolio in charge of housing (Mr. Andras). I only wish that I could share his optimism about the state of the Canadian economy. I have very serious doubts whether that optimism is shared by the hundreds of thousands of unemployed people who are walking the streets of Canada today. He suggested that the interest rate on housing loans will be lowered to 7½ per cent. I think that is a very worthwhile objective. As a matter of fact, it should have been done many years ago. But what is the point of lowering the interest rate to

7½ per cent when hundreds of thousands of people cannot afford to borrow the money and cannot afford to pay any interest, let alone interest at 7½ per cent?

Today, Mr. Speaker, we face a real crisis in Canada so far as unemployment is concerned. It is a crisis which in many respects is as serious as the one we faced in the so-called hungry thirties; a crisis which is growing worse every month and which is causing an awful lot of misery for thousands of Canadian families; a crisis the blame for which can be laid entirely at the feet of this government.

Some hon. Members: Hear, hear!

Mr. McQuaid: The blame can be laid at the feet of a government led by a Prime Minister (Mr. Trudeau) who has said to the Canadian people, "If you don't like it, lump it."

Mr. Baldwin: Shame.

Mr. McQuaid: That, apparently, is the government's attitude to many people who find themselves unemployed. This is a government that is led by a man who just a few days ago is reported to have used disgusting and disgraceful language to a group of people who were only exercising their democratic right to parade on Parliament Hill and make known their grievances to the people and to the government. It is a government, Mr. Speaker, under the leadership of a Prime Minister who is obviously losing the confidence and respect of the Canadian people. If he were doing his duty, I suggest that he ought to resign and let the people of Canada determine whether they are satisfied that this government is doing all it can in the interests of our unemployed.

Some hon. Members: Hear, hear!

Mr. McQuaid: Our massive unemployment today, Mr. Speaker, was not created by the people of Canada, nor was it created by labour. It was created by this government, the government which created tight money, the government which pushed interest rates sky high, the government which over the years has increased taxes and is continuing to increase them, the government which has limited the supply of money and has placed a very severe restraint on federal spending. Yes, it has been caused by the government. One would expect that the Prime Minister and his government would accept responsibility for this. Apparently, however, they do not wish to do so.

Mr. Asselin: I hope the Minister of Finance (Mr. Benson) is listening.

Mr. McQuaid: The Minister of Finance (Mr. Benson) said in this House not long ago that everything is on the up and up and that everything will soon iron itself out. I ask him to tell that to the almost 600,000 people who are today unemployed and walking the streets, not knowing what to do.

Mr. Hales: They are told to live on $30 a week.

The Budget—Mr. McQuaid

• (3:30 p.m.)

Mr. McQuaid: I ask him to tell that to the men and women who are out of work and whose families are suffering. This is through no fault of their own but, rather, to the lack of attention by this government to the problems of unemployment. There may be no crisis for the Minister of Finance and the Prime Minister, but there is a crisis for hundreds of thousands of Canadians and their families. Figures bear out the fact that the year 1970 was one of general slowdown in the Canadian economy. This slowdown was brought about by the fiscal and monetary policies of this government. We were told that these policies were adopted to fight the so-called inflationary trend. The result is that we are now suffering a slow growth in our economy. We are also suffering a very high rate of unemployment.

According to the Dominion Bureau of Statistics, 155,000 more people were unemployed in December, 1970, than in December 1969. This represents an increase in unemployment of 40 per cent in one year. It is a disgraceful situation. Yet the government is not prepared to do anything substantial about it. In December, 1970, there were 62,000 more people unemployed than in the month of November. This represents an increase, in one month, of 14 per cent. But the government is apparently not prepared to do anything about it. The rate of unemployment in this country is more critical than in the worst years of the depression.

A very large proportion of the unemployed are the youngest people in the labour market. Almost 20 per cent of the registered unemployed are 19 years of age or younger. I suggest it is a very serious matter when 20 per cent of our young people are introduced into an atmosphere of forced idleness. Many of them do not want to be unemployed, but there isn't anything for them to do. At one time only the unskilled were unemployed. That is not the situation today. Many of our better educated people are unemployed. There are unemployed people walking the streets today with university degrees as high as doctorates. They are unable to find work. The unemployment situation in Canada is serious.

I wish to direct the attention of hon. members to the very serious situation in my area, Atlantic Canada. There has been a very serious increase in unemployment in that area. The number of unemployed increased from 42,000 in November to 54,000 in December, an increase of 12,000 in one month. That is the largest monthly increase of unemployment in the Atlantic provinces since 1956. The government has done very little about the increase in unemployment in the past 14 years. The rate increased from 6.3 per cent in November to 8.3 per cent in December. The rate in that area was the highest in Canada, with the possible exception of the province of Quebec. The latest figures available for my province of Prince Edward Island are for March 31, 1970. At that time there were 8,959 people receiving social assistance. Many of these almost 9,000 people were willing but unable to find work. In order to support themselves and their families they had to lower themselves to the point where they had to ask the government for social assistance. That is

the highest figure of any province with the exception of Newfoundland. In March, 1970, 16.2 per cent of the people of Newfoundland were receiving social assistance. In Prince Edward Island it was 8.1 per cent; Nova Scotia, 6.2 per cent; New Brunswick, 8.1 per cent. The average in the Atlantic area at that time was 9.6 per cent. Almost 10 per cent of the people received social assistance: they had no other means of supporting themselves or their families.

The situation with regard to social welfare in Canada is very serious. Statistics show that in the field of social welfare Canada is one of the highest per capita spenders in the world. The answer to our problem is not social welfare. I am convinced that if our spending in the social welfare field continues as it has in the past we will very soon be faced with a rude awakening. It is the responsibility of the government, indeed Parliament, to ensure that everyone who is willing to work has the opportunity to do so.

Some hon. Members: Hear, hear!

Mr. McQuaid: The people of Canada only ask for the opportunity to earn a decent living for themselves and their families. To date this government has not done anything to provide that opportunity.

Some hon. Members: Hear, hear!

Mr. McQuaid: We do not quarrel with the fact that welfare assistance is a necessity for the sick and the unemployable. However, it is time we devised a formula to provide employment for those who are capable of working and willing to work. There are hundreds of thousands of such people today in Canada.

Some hon. Members: Hear, hear!

Mr. McQuaid: There is a serious problem in Prince Edward Island. As hon. members know, we depend largely on agriculture to earn a living. There is a serious problem in so far as agriculture is concerned. I wish to quote some figures to make clear how serious this problem is. In 1930 the farm population in Prince Edward Island was 55,000. That figure represented 63 per cent of our population. By 1960, 30 years later, the farm population was reduced to 31,000, 28.1 per cent of our total population. Since 1960 it has continued to decline at a very alarming rate. In 1931 there were 12,865 occupied farms in our province. Today there are less than 5,000, a decrease of almost 8,000.

• (3:40 p.m.)

Unfortunately, the situation is not improving. As Your Honour knows, we depend very largely on our potato industry and that industry at this moment is being dealt a serious blow up, I would say, a small group of general store operators in Toronto who are apparently doing their best to promote the sale of Ontario potatoes. Let me give hon. members an example of how this is being brought about. Yesterday Prince Edward Island farmers were receiving 31 cents for a 10-pound bag of potatoes delivered in Toronto. These potatoes were selling on the Toronto market for 50 cents; that is to say, at a profit of 19 cents to the retailer. Ontario farmers were receiving 30 cents for a 10-pound bag of Ontario potatoes, only one cent less than the P.E.I. farmers were receiving, and Ontario potatoes were selling on the Toronto market for 39 cents. In other words, retailers were making 19 cents on P.E.I. potatoes, when they could sell them, though they were prepared to sell Ontario potatoes at a profit of only nine cents for a ten-pound bag.

This, of course, puts P.E.I. potatoes at a disadvantage despite their exceptional quality, because people will not pay 50 cents for a 10-pound bag of potatoes if they can buy reasonably good potatoes for 39 cents. As a result, our potato farmers estimate they will suffer a loss of some $5 million this year. I cannot help wondering whether the price of P.E.I. potatoes is not being deliberately pushed up in Ontario in order to promote the sale of Ontario potatoes. I do not know whether there is anything the government can do about it—I am not laying this at the feet of the government—but I do hope the Minister of Agriculture (Mr. Olson) will take notice of what is happening, and if the federal government can do anything to overcome this injustice I hope that action will be taken as soon as possible; otherwise, P.E.I. farmers will not be able to stay in business and the number of unemployed will be increased.

Mr. Osler: Would the hon. member mind answering a question? While I agree with many of the things he has said about the need to end regional disparity, does he consider he is being completely fair when he blames all unemployment problems on the present government? I have looked at the charts and find that the percentage of unemployed in the United States is even greater. And our federal government has nothing to do with what is happening in the United States; there is a Conservative administration there.

Mr. McQuaid: I am blaming this government for not doing enough to overcome the unemployment problem as it exists in Canada. The necessary concrete measures are not being taken on behalf of people who are looking for work and who are able to work.

An hon. Member: Hear, hear!

[*Translation*]

Mr. Maurice Dupras (Labelle): Mr. Speaker, for a new member, his maiden speech in the House is perhaps an unforgettable occasion and I think that all members who went through this before me would agree that they have been deeply moved by this experience.

It is certainly gratifying for me to represent my constituency of Labelle in Parliament, but it also vests me with the responsibility for measuring up to my predecessor, the hon. Léo Cadieux, who fulfilled his duties in this House with remarkable zest. I wish to pay due tribute to him and to renew the testimony of admiration from his constituents of Labelle who have so often taken pride in the way he discharged his duties as Minister of National Defence and we are sure that he will brilliantly represent our country in Paris.

Mr. Speaker, I wish to thank all the members for the very warm reception they gave me in the House after my

election on November 16 last. I have been reassured by their liberal welcome and I wish that all members of the opposition who applauded on this occasion will not soon regret it.

May I also congratulate the hon. members for Frontenac and Lisgar (Messrs. Corriveau and Murta) who were brought to the House by the same by-election and may I wish them both a cloudless and fruitful career.

I will take advantage of a well-established tradition, on the occasion of a new member's first speech in the debate on the motion of the hon. Minister of Finance (Mr. Benson), in directing my comments especially to my constituents in Labelle with the hope that all Canadians who believe in dialogue will also be listening. May I be allowed to express my gratitude for their so generous support, their loyalty to my leader and my party, loyalty they so eloquently expressed on November 16 and which can be found in my province and everywhere else in Canada.

Despite the successful result I obtained in this by-election on account of the great popularity of the Prime Minister (Mr. Trudeau), I do not forget the obligations and responsibilities I accepted.

[*English*]

Mr. Speaker, the riding I have the privilege of representing in this House, and which was so ably represented by my predecessor, is composed of 50 municipalities ranging in terms of population from the highly industrialized city of St. Jerome to a large number of renowned summer and winter resorts in the heart of the Laurentian mountains and small villages and settlements six miles south of Mont Laurier. It is, as closely as one can find, an accurate demographic reflection of the province of Quebec on a smaller scale.

Our population is composed of proud Quebeckers who are loyal and deeply-rooted Canadians. I can advance this assertion without hesitation, having known a vast number of them, having been brought up in the area and having lived in that part of the province for most of my life. We are the descendants of settlers who came to that region at the very beginning, settlers who plowed the land with courage, perseverance and an expectation which was not always rewarded in accordance with the full measure of their efforts.

Our history is, in a way, similar to that of the first Canadians who explored and developed this great land in which various ethnic groups are represented. In fact, most of the elements to be found in the Canadian mosaic, the largest proportion being French-speaking, all have, with their particular talent and ability, contributed in large measure to the development of our region. Together we have adjusted to the accelerated evolution of our time, although for all of us the first and utmost priority is still economics.

• (3:50 p.m.)

[*Translation*]

If Canada is rich on account of the diversity of its population, my constituency is largely endowed in this regard and shares such wealth with the rest of this country.

An important part of the constituency of Labelle, Mr. Speaker, enjoys a long-standing tourist tradition known throughout this country, on account of its great beauty, its numerous lakes full of various species of fish and the majestic Laurentian mountains.

We believe our constituency is the most visited in this country, by our fellow citizens of other provinces as well as by our neighbours to the South. The best known tourist establishments in the province are in our constituency, a few miles north of Montreal.

The construction of the new Montreal airport and the economic upsurge that should follow for the whole area compel us to think of what the future has in store for us. We must ensure that our existing facilities will be able to meet the soaring demand from our citizens who are anxious to enjoy the countryside and come closer to nature and who increasingly insist that all those natural beauties which are so many features of our region be preserved and made accessible to them.

As economic requirements force us to alter our environment, those elements become more important to our mental health, to our return to wilderness and to an environment not spoiled by man.

Mr. Speaker, it seems that this ambition is being voiced by influential people in this region who want a major part of the territory to be turned into a genuine national park similar to those existing throughout the country. This undertaking will have a dual impact: the creation of permanent jobs for skilled people already dedicated to tourism and proud of its tradition and consequent high repute and, for the most densily populated area of North America, the provision of a holiday resort second to none. This ambitious project is winning more and more supporters in all quarters, and it is becoming more and more difficult to resist the trend.

In our area, close to holiday resorts, there is a huge territory well suited to that kind of development, involving no danger of ecological unbalance and remarkable for its climate, topography and wildlife.

The tourist industry, one of the main industries in the province, in which we have specialised and acquired a reputation, seems now to offer more security than many others which, on account of changing times, are no longer important sources of employment. We must pave the way in that field and protect this source of foreign currency. We should be prepared to meet the needs of the people in our area who want well-paid work and job security.

During the last few years, we have faced rather serious employment difficulties caused mainly by an important migration of farm hands and labourers from the North of the riding who believed that they could find greater employment opportunities in Saint-Jérôme. That exodus has had the effect of greatly increasing the unemployment rate.

As all other Canadians, Mr. Speaker, we are concerned with the yearly increase in seasonal unemployment. That situation is ascribable to many factors which hon. members of the opposition have not identified. Reports indicate especially that agriculture in Canada has been losing 24,000 jobs a year since 1955. That is mainly due to a

greater availability of capital, to automation and to a greater efficiency.

Unemployment is caused both by fluctuations in demand, as severe here as in the countries where we export, as well as by the work reduction factor in production, technological changes, labour mobility, depletion of natural resources in a given area, changes in management and ownership of undertakings which leads to the disappearance of some manufacturers.

We must also ask ourselves whether the unions, with their requests for ever increasing wages for fewer and fewer employees, do not contribute to a large extent to reducing the labour force. I suspect that disproportionate union demands force the employers to excessive efficiency, which leads to smaller staffs, which are better paid, I agree, but which are more exposed to unemployment. Would it not be better if the unions would rather have more men paid decent wages than fewer workers drawing higher pay?

To that one can add the continuous increase in the number of multiple jobs. That is too often the case with people holding two or more jobs, the wife and husband sharing the financial burden of the family with the income each of them has. In Canada we once had the highest employment increase among industrialized countries, but in spite of this increase, in 1970, as everyone knows, the unemployment rate reached 5.9 per cent compared to 4.7 in 1969. According to the Dominion Bureau of Statistics, in 1961 the national unemployment rate was 7.2 per cent, and 9.3 in my province. Of course, unemployment must be the concern of everyone, because of its implications on the social structure. Also, the people of my province who exert themselves in opposing any measure conducive to the right atmosphere for creating the famous 100,000 jobs, should be despised by the unemployed. We must ask if those people see, beyond statistical data, the human anguish, the solitude, the alienation and even often the desperation of the human beings those figures represent. We hope they understand that people on welfare are permanently branded with indignity.

I am thinking about those who, for obscure reasons, oppose the construction of the East-West expressway in Montreal, those who by their loud statements perpetuate this atmosphere of uncertainty to which is due the crisis of October last, brought about over the last few years by the verbal violence of petty politicians who remind us of the so-called "conquerors of the useless". There is also this too common attitude whereby employment is a right rather than an elementary duty which fulfils and glorifies human beings.

[*English*]

Of course, those, fanatical people with dreamer's eyes who desire change for the amusement they find in pulling things to bits make pandemonium and call it progress. Society is satiated with quacks and their quick cure-alls, the like of them being responsible for many ills in Europe of yesteryear. These conflicts, insecurities and frustrations which are the difficult legacy of the Canadian youth have at least one positive aspect: they are in a sense the growing pains of evolving cultures. These very difficulties provide the impetus for a constructive search for new cultural forms. Today, social institutions are extremely complex and no single approach provides a complete understanding of them. Countless young people find themselves confused. They see an apparent disintegration of hitherto solidly established codes and traditions. They sense that their elders are bewildered and perplexed.

• (4:00 p.m.)

No one has ever been young before in such a world. Both young and old wonder what brought about the present state of things, and the young have an itch for activity that will make the future brighter. The great majority of young people show an awareness of what is going on and a mature understanding.

The crisis in human affairs that confronts every generation anew is never as new as it seems to that generation. There were equally spectacular political, economic and social changes and equally showy transformations of dress and manners in other ages, some long past. People talk about new generations as though they were separate waves, but they are not: they flow into each other and each new generation has many good qualities and thoughts to exchange as it overlaps and merges with the previous one. Every period of life has its problems and its solutions, and the benefits which flow from these solutions are available only to those who are pliable. Someone once said that old or young, we have to keep flexible in living our lives, not flexible as to principles or as to things of eternal truth but flexible in our reactions to environment, to people and places, to the going and coming of friends and family and to changing situations and circumstances.

[*Translation*]

The Canadian dream, Mr. Speaker, is the establishment of a democratic society within which men know how to govern themselves and are free to achieve self-improvement to the full extent that their capabilities and energy will permit, with the objective to promote well-being in the population, according to similar principles of decency, freedom and equality.

When looking at our gigantic country and its numerous development possibilities, we sometimes get the impression that we are midgets playing on a stage designed for titans. This could perhaps explain the attitude of some of my fellow-citizens who have thrown in the towel because they do not believe they can meet the challenge.

Our Canadian mosaic is not an obstacle, but a positive factor in the task of building a great nation.

Civilized people accept, Mr. Speaker, that their neighbors have opinions which differ from theirs. They are free from this mental disease, the symptoms of which are total intolerance toward the views of other people.

Not only is it important to believe passionately in democracy, but also to practise it earnestly. In this society of ours, the individual may, by participating in government and by being educated, realize more than ever his role as a citizen.

People cannot live happily in isolation. That is why Jewish prayers insist on plural rather than singular forms, on community rather than on individuality.

Where questions of substance are concerned, Mr. Speaker, we may say that most Canadians pay respect to the same values. They believe in a social order in which individuals are more important than objects, in which ideas are more important than slogans, in which individuals are judged on their personal values and in which men may express their opinions under the protection of the law.

The Canadian way of life offers one method of having intelligence, good will and individual efforts work towards solutions to the problems. Success depends on whether we may expect that the ordinary citizen will act to the best of his knowledge, that he will do his duty and that he will perform it intelligently.

Then, as people say on our coasts, the rising tide will get all boats afloat.

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, may I ask the hon. member a question?

Mr. Dupras: Certainly.

Mr. Valade: Mr. Speaker, I wish first to commend the hon. member for his first speech in the House.

In his remarks, he mentioned, among those who create verbal difficulties for a job-creating economic organization, those who objected to the proposed East-West expressway in Montreal. If I have interpreted his remarks faithfully, can the hon. member tell us whether his criticisms were aimed at the Secretary of State (Mr. Pelletier), the Liberal member for Hochelaga, who was the first, as cabinet minister, to object to this proposal?

Mr. Dupras: Mr. Speaker, my remarks were not aimed at anybody in particular. I do not recall referring to anyone or naming anyone. I meant all those who object to this proposal being implemented as soon as possible.

[*English*]

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, before I begin my remarks I would like to take this opportunity to congratulate the new member for Labelle (Mr. Dupras) on his maiden speech. It was an excellent speech and I am certain that much thought went into it. It was idealistic and intelligent. I am certain that members of the House who heard him share my sentiments. His comments were positive and optimistic.

Unfortunately, I have to turn now to a matter which I cannot greet with optimism and confidence. I find myself somewhat limited in expressing my sincere anger and unhappiness at the current state of our unemployment picture. I cannot express myself well because all the best adjectives have already been used by previous speakers. We have heard words like "criminal", "immoral", "tragic", "insensitive", "technocratic", "vicious" and "callous". All these have been hurled at the government, and I think rightly so. These word weapons are the only weapons at the disposal of the opposition to get the government to respond to the crisis of unemployment facing 700,000 Canadians.

I know that these words fall on deaf ears. The Minister of Finance (Mr. Benson) told us that he has heard them all before. The wives, children and families of 700,000 Canadians are facing a desperate crisis this winter, and 23 per cent of all those unemployed Canadians happen to live in my province of British Columbia. The other day when the Minister of Finance was speaking about his budget he accused the opposition of attempting to make political capital out of the tragedy of this issue. What does he expect Members of Parliament in the opposition to do—sit silently by and accept it all? If one thinks of it in more concrete terms than the abstract figure of 700,000 people, you realize that this is roughly the population of Vancouver, which is Canada's third largest city. Here we have a metropolis of people who are bitter, idle, deprived and degraded, not by chance, not by acts of God—unless you consider the cabinet a many-headed god—but by the deliberate, premeditated, inhuman economic policies of this government. You do not have to use the words of the opposition to document this. The classic remark made by the Minister of Labour (Mr. Mackasey) at the time we debated this matter previously testifies to this fact. The minister said, "It takes courage for a government to create unemployment." What a line that is!

We speak today rather belatedly on this issue, not because we did not know it all before, not that we did not know it was coming but because last fall suddenly we had problems in Canada and people were in no frame of mind to listen seriously to this issue. We were preoccupied with the problem in Quebec. People might have listened to unemployment predictions if they themselves had been unemployed, but the average Canadian was not yet touched by it. He was touched, however, by the FLQ crisis. I happen to believe that the FLQ crisis, the so-called apprehended insurrection, was blown up out of all proportion by the Prime Minister (Mr. Trudeau) for reasons best known to himself, his buddies, his confidants. Our Prime Minister is experienced in show biz. Just as he did last fall in the Quebec crisis situation, I would now like him to use his talents to give a lead in arousing all Canadians to the far more pernicious and widespread personal crisis of no work and push this to its true perspective, because in my view in the long run joblessness is far more serious. There is no point in the Minister of Finance or any other minister trying to cover it up or to explain it away with some sort of sophisticated sophistry. As hon. members on all sides of the House know, unemployment is very real and widespread. It reaches into every hamlet, village and city throughout the land, with tremendous waste and leaving a legacy of despair that will last for years to come. You do not get over being out of work in a hurry.

• (4:10 p.m.)

I do not believe there is a family in Canada that has not a relative or friend untouched by the grim hand of unemployment. There is the husband who has received his notice from Air Canada and then fails to get unemployment insurance. There is the son who dedicated himself to get an education or a trade and who now finds there is no job for his particular skill. Some people's sons

have even had to move in with their parents. They are the lucky ones. Some parents do not have room for them in their houses. What about the merchant who has to lay off a long term employee or who has to close his business because customers do not appear at his door in sufficient number? What about the farmer, unskilled, chased off the land, adrift in an urban environment because of the enclosure policies with respect to agriculture devised by the government? The same applies to the fishing industry.

Ask the guy lining up at the unemployment insurance wicket for welfare, or at the soup kitchen, who is to blame. As the Leader of the Opposition (Mr. Stanfield) found out when he visited Vancouver, the answer is that the worker's misfortune is due to politicians. An unemployed man no longer believes his problems are his own fault, nor does he distinguish between members of the government and members of the opposition—again something that the Leader of the Opposition found out. He lumps us all together. He no longer believes in the conventional mythology of the Protestant ethic that being unemployed is his own fault, not the government's, and is due to some failure in his own personality. He brands all politicians as a bunch of useless, parasitic individuals. And if opposition members follow the advice of the Minister of Finance and fail to speak out, knowing our words are going to fall on deaf ears because of the government's obstinacy, then we will be parasites. It is our job to talk about this matter and no amount of advice from the Minister of Finance will prevent us from doing it.

The government has taken all the credit for retarding inflation. It seems to me only just that if it wants to bask in the euphoria of having accomplished its deflation goal, it must also accept the major responsibility for causing much of the current unemployment. I do not see how the government can have it both ways. This "no work" crisis was brought about as a direct result of the government's exclusive preoccupation for the last 2½ years with balanced budgets and inflation-fighting.

As I mentioned earlier, Mr. Speaker, the Minister of Finance entertained us the other afternoon. He blamed the problem of unemployment on Canada's severe winters. He blamed it on labour disputes. He forgot about the labour disputes in previous years, and the winters too. It may be convenient for him to do that. He blamed it on almost anything except on what in fact has been its major cause, the deliberate economic slowdown and austerity measures which have been high priority items of the government. The government cannot escape this and we are not going to let it escape it. The government did it. It did it deliberately. It knew full well the risk, in its policies of unemployment, of human redundancy.

A while back the Prime Minister was so committed to the government's economic policy that he was prepared to see unemployment go to 6 per cent. Well, he succeeded beyond his wildest dreams. In December, unemployment across Canada was 6.6 per cent on a seasonally adjusted basis and predictions were that things would become worse and not better. We expect the announcement tomorrow of another seasonally adjusted figure. Perhaps that figure will be lower, but the total number of unemployed will go up. Just ask the guy who is out of work how it feels to be seasonally adjusted! We can hardly blame him for being seasonally maladjusted. He becomes unhappy every winter.

The Minister of Finance claims that Canada has been outstanding in the western world in providing more jobs per capita. I cannot quarrel with his figures—but tell that to the guy in the soup-kitchen. Tell that to the municipalities I represent, where welfare costs have tripled over the past three years. The other day I received in the mail the welfare officer's report to the Langley municipal council, an area which I represent. I quote:

> The chairman presented this report which showed the percentage of population in receipt of welfare for the month of December, 1970, was 9.95 per cent. This compares with 9.34 per cent in November and 7.64 per cent in December, 1969.

The figure now has increased by roughly 2 per cent. This is not dealing with costs: it deals with the number of people applying for welfare. I am sure this sad story is repeated through all the nine municipalities I represent. Some 2½ yeras ago the winter works program was withdrawn. We were told it would not be missed because millions of dollars would be devoted to manpower training and retraining. Now a lot of municipalities would like winter works programs reinstated because they are starved for funds for capital projects. My province is fortunate; it is to get 23 per cent of the $150 million loan fund recently announced. In fact, as was said today, we may get even more if other provinces do not fully use their share. But, Mr. Speaker, we must be fair about this matter. I am always fair, impartial and non-political when dealing with matters such as this and I point out that the tripling welfare costs in B.C. cannot be laid entirely at the door of the federal government.

By a stroke of a pen, three years ago the B.C. government, by changing a formula, doubled the cost of welfare to municipalities. Until then they were required to pick up 10 per cent of the welfare costs; but that was increased to 20 per cent. Now in Mr. Bennett's most recent budget that has been cut by 5 per cent. Municipalities will have to pick up only 15 per cent of the cost. I imagine he will receive great applause all around for that—but it is like the old story of the man who kept hitting himself on the head because it felt so good when he stopped. I think the policies of the federal government can be blamed for at least half of this increase which the municipalities must meet. As I have said, capital projects have been delayed in the municipalities. People are beginning to make dark mutterings about work-for-welfare proposals because they are sick and tired of bearing excessive costs which they cannot meet, and they see little relief for the future. All the people of Canada in one way or other pay for the waste of manpower. But what about the things we need? We need pollution abatement, roads, housing, sewers—so it is not that there is no need for full employment. It is simply that there is no government will to produce full employment, and even if there were such a will there are no programs to put it into action.

• (4:20 p.m.)

Mr. Speaker, apart from the Prime Minister there are three men who should be responsible for doing something about the unemployment crisis. They are the Minister of Finance, the Minister of Manpower and Immigration and, of course, the Minister of Labour. Why don't they have the courage to admit that they have bungled the job? Why do they gloss over it and say that things are going to look great in the future? If they had the courage to admit their mistakes and start afresh, everybody would respect them. They are only human. I truly believe that the Minister of Finance is human. Sometimes I wonder, but really I am convinced he is. Sometimes we on this side of the House make mistakes and I am sure we would allow the Minister of Finance the same human characteristics. I am certain that if Canadians were asked to make sacrifices for something positive, they would be prepared to do so. But they are not prepared to accept the continuous sophistry of the flim-flam men. If these three ministers will not admit that they have bungled or that they disagree with the policies put forward by the Prime Minister or the government, policies that have caused so much grief and hardship, and if they continue to stumble around under orders, doing things against their better judgment, they are little more than the reincarnation of the Three Stooges and should be regarded as such.

Mr. Speaker, other members have pointed out that in December there were 218,000 young people out of work. Most of them were looking for work. There is a relatively recent phenomenon, however, of the voluntarily unemployed youth. I do not know whether this stems from discouragement, but there are the check-outs, the drop-outs, the goof-offs—those young people who are so cynical or discouraged about our system that they spend their time examining their navals, freeing their minds or using any other excuse for indolence. They are a serious problem. I think we should be talking about this phenomenon but I do not think this is the time to do it. However, we will have to face the reasons behind their alienation in the near future. The goof-offs are a relatively new phenomenon and I think they are in the minority.

What kind of things might we do for these young unemployed, Mr. Speaker? The first thing we should look at is the opportunity for them to make social and economic contributions in Canada's northland if programs were designed to employ them there. Anyone interested in what is happening in other countries might be interested in reading Farley Mowat's new book about Siberia. Changes must be made in the manpower retraining regulations to allow these young unemployed access to the retraining programs even if they have not been part of the work force for the required three years. That is a relatively simple amendment which would solve a lot of problems. I know there are some flaws in this proposal because we are accustomed to thinking that only those who lack skills are unemployed. This is not true. A previous speaker mentioned the plight of some professional and trades people. If it is suggested that the unemployed are skilled people, the reaction will be: What is the point of training more plumbers and electricians just to be unemployed at a time when we already have unemployed plumbers and electricians?

Some long-range planning is essential on the question of the overdevelopment of skills. Canada is somewhat like some of the emerging nations who while desperately needing the skills of their own people force those who have been trained to emigrate and seek a market for their skills elsewhere because their country is not sufficiently developed to employ them gainfully. Canada's difficulties in this area stem from the fact that we have had an historic dependence on imported skills and have thus neglected training people here. In effect, we stole our doctors, teachers and other skilled people from other countries. We should have been training these people ourselves. And now that we are, there is currently limited opportunity for them to be gainfully employed. Hopefully, this is a temporary situation but I would not bet on it.

Besides greater manpower access, Mr. Speaker, maybe we should face the fact that for a long time to come we will have a large number of young people unable to find employment. The Minister of Labour admitted that there would be some instability in our labour-intensive industries while they automated and retooled in order to compete with low-cost imports. He mentioned textiles in particular. If the industry cannot meet the competition now and has to automate, it will not use the number of workers it once did. Muscle power is no longer saleable, and maybe for a long time to come we will have to face the bleak prospect of underemployed youth. What are we going to do about it? First of all, we might face the prospect squarely and begin to shorten the labour lifetime of the average man. There are many more pleasant things to do, Mr. Speaker, than to spend 45 years locked to the treadmill of an unrewarding job. Why is it necessary for men to spend 45 years performing work in order to eat, raise their families and then die? Surely there is more to life than this. But for many people there is not.

I was intrigued by the recent United Auto Workers contract proposal of "30 and out". This suggestion would help young and middle-aged people alike and certainly it would be popular. The suggestion was this: Can't we arrange our affairs so that a man can complete his labour from age 20 to 50 or 25 to 55 and then be retired at three-quarters of his salary? More men would be willing to retire earlier if it did not mean facing severe financial hardship. There are a lot of pleasant things to do before a man dies after the age of 55 when he has raised his children and discharged his responsibility. I talked this idea over recently—it is not a radical one because the armed forces and the RCMP have done this sort of thing for years—with a friend of mine who is a railroader. His wife works because he cannot provide for their five children on his salary alone. He said that most of the guys who go to work with him are going through the motions waiting for retirement. They are fulfilling their obligations and they would jump at the chance of early retirement. I asked: Is the price of packing it in worth a criminal reduction in income? My friend went on to say that he would buy a camper and travel, thus helping tourism and, incidentally, allowing himself and his wife

the opportunity of enjoying life a little before they are too old.

• (4:30 p.m.)

I do not see why we have not considered something like this much more seriously. If we can arrange things so that we can retire a Member of Parliament after six years with $3,690 a year, surely to God we can do the same thing for the average guy after 30 years on the job.

Some hon. Members: Hear, hear!

Mr. Rose: I think that would be logical. A security constable aged 55 in the House of Commons said to me that he would retire tomorrow if he could obtain three-quarters of his salary. I ask, why cannot we do this sort of thing? It would bring opportunities and benefits to our young people. We do not do anything for them now, Mr. Speaker. If we could give them increased opportunities they could be employed and build their future with confidence. It is no joke for them to be forced into retirement at the age of 55. What is the good of that?

I am no economist, Mr. Speaker, nor do I pretend to be one. No economist is required to tell the government of the despair and desperation encountered by many people today. The government may not like our talking about the staggering proportion of our idle work force, but the age of obedience disappeared with the coming of the age of aquarius and people will not remain silent and accept certain conditions any more. Confrontation is never far from their minds. Do not expect the unemployed to remain deferential if conditions do not improve markedly, and soon. If we do not act soon, Mr. Speaker, it would come as no surprise to me if violence were to erupt across the land. Some of that violence, I am afraid, may make the FLQ crisis look like a Sunday school picnic.

In addition to the suggestions I have brought forward, may I reiterate some of my leader's suggestions brought forward the other day. We do not want to make political capital out of the tragedy of unemployment. Hopefully, however, the government will listen to some of our suggestions. We think that the 3 per cent surcharge on income tax ought to be dropped. This surcharge is being perpetuated and very soon our people will think of it as a permanent tax: it will just be there. Also, what about inviting the Minister without Portfolio in charge of housing (Mr. Andras) to use his influence for the dropping of the 11 per cent sales tax on building materials? I know how costly that would be in terms of the projections that the Minister of Finance has made, but if this could be done at least for senior citizens' housing it would be greatly appreciated. If you dropped the tax you could build them 11 per cent larger accommodations for the same money. The minister in charge of housing today said that it is planned to build 38,000 public housing units. Our party supports that concept. Our people need public housing units. Yet that need shows something else: it shows that our economy is in such desperate straits that many people are being forced into low-cost public housing units because they have no hope of buying houses of their own.

[Mr. Rose.]

Mr. Deputy Speaker: Order, please. I must interrupt the hon. member to advise him that his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there unanimous consent for the hon. member to continue?

Some hon. Members: Agreed.

Mr. Rose: I thank hon. members, Mr. Speaker. I will do my best to conclude my remarks as quickly as possible. I had been making some suggestions and I had mentioned housing. That some of these public housing units have been most helpful is beyond question. Nevertheless, under existing loan arrangements the loan is repayable over 50 years, and as a result of interest rates the cost of these projects is tripled. These high costs also impose a severe strain on the budget of the societies concerned, the result being that those societies collect from their tenants far greater rents than would be absolutely necessary if the interest rates were lowered. The rents now are often greater than most tenants are able to pay comfortably. If we got rid of interest rates with respect to public housing units and senior citizens' housing units, we could lower rents. At present it is only the favoured few who are accommodated in senior citizens' housing. Many of the older people in our cities live in slums or under appalling conditions. As I say, only a favoured few are accommodated in senior citizens' housing. Also, why cannot we consider increasing amounts paid by way of unemployment insurance and do that now? There is talk that we are to do it in April, but why could we not do it now?

In these times when more than 3 per cent of our people are unemployed and when such unemployment seems to be part and parcel of government policy, why can we not assist municipalities by paying them 65 per cent of their welfare costs instead of the traditional 50 per cent? After all, the municipalities did not invoke this policy, the federal government did. The federal government has responsibility but it is the municipalities that must grapple with this problem. That is all that I have to say at this moment, Mr. Speaker. I do not know whether my remarks will make any difference. Hopefully, somebody is listening. Perhaps this is a dialogue of the deaf, but we must speak on these matters. If we appear to be making political capital out of them, perhaps that is the name of the game.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, on December 3 last, the Minister of Finance (Mr. Benson) stated in the House with vigour and optimism his economic forecasts for Canada.

That was over two months ago already and nobody has caught a glimpse yet of the improvement that the minister said was coming. The economy remains stagnant, it staggers more and more and the most eloquent proof of it is the insoluble unemployment problem. Everybody talks about it, but nothing changes. This government seems to have been most successful in increasing the unemployment rate as a result of its epic struggle against inflation.

He has now more difficulties in suppressing what he has himself brought on.

• (4:40 p.m.)

Mr. Speaker, these are unavoidable consequences of a government which fight theoretical enemies first instead of considering in a very concrete manner the true well-fare of the human being. It is not in the mathematical feats of the Minister of Finance that solutions are to be found but in reverting entirely to the true monetary concepts, those that give money its actual role which is to serve citizens by promoting production and distribution of goods.

All along his budget speech, the minister did not fail to emphasize how the budgeted expenditures would act as incentives for the economy.

The amount of $54 million allocated to the Unemployment Insurance Fund, he said, and I quote:

...will, as well, give an immediate and direct stimulus to the economy, the benefits of which will spread quickly right across the country.

He added that "the $150 million granted to the provinces will have the same result."

He therefore agrees with the principle of fighting the stagnation of the economy and even stimulating it by resorting to an increase in the purchasing power. That is the very advice we have given the government all along. Naturally, the economy needs that valuable and essential motor which is the purchasing power. Each citizen, having more money, spends more. All want to improve their lot; a greater need for products makes itself felt. Therefore industries wake up, organize themselves to fill the demand, hence the increase in jobs. That is simple, and we do not understand why the government does not implement the solutions which we advocate.

Against all logics, and even against sheer common sense, the natural and instinctive theories of Social Credit are rejected without considering and implementing them. A continued floundering in the obscure labyrinth of the present financial system is deemed preferable.

I wish to quote a passage from the minister's speech, which illustrates this mathematical struggle:

A responsible government which is operating on a realistic basis has to be concerned about the total size of its net borrowing requirements. We have to guard against creating too rapid an expansion of the money supply, that is to say we have to guard against another encounter with the second obstacle to a rise in living standards ... a renewed surge of prices. The borrowing needs of the government must be covered by a combination of sales of securities to the banking system and to the public.

In a few years, when at long last monetary reform has been achieved, such words will appear naive. One will wonder how supposedly sensible people could tolerate such absurdities. They will say that the old campaigner was above all an expert in bankruptcy.

Mr. Speaker, the efforts made by the government in order to eliminate that famous problem of unemployment, the subsidies granted through the Department of Regional Economic Expansion in order to put new life into industry, all this of course deserves our support especially when housing projects are being encouraged. We quite agree and we wish that this policy will actually enable more Canadians to enjoy the advantages inherent in home ownership.

We are therefore quite glad about the achievements in this field but there are still a few small gaps which I would like to point out to the Minister without Portfolio in charge of housing (Mr. Andras). Earlier today, he entertained us about some splendid housing projects; however, these projects are somewhat minimized by the fact that they are not generalized enough.

No doubt a community as important as Montreal may have more pressing needs than others for housing but, to build them, the city must be able to borrow at lower interest rates.

Of course, we understand that. We also understand that a locality such as Quebec City must also have these possibilities. But I do not agree anymore when the same advantages are denied to regions whose needs are as high if not higher than those I just mentioned.

For instance, God only knows how the region of Trois-Rivières-Shawinigan-Grand'Mère, in brief the whole Saint-Maurice Valley, needs, as do Montreal and Quebec City, a true economic incentive such as housing. It is, therefore, necessary that this gap be bridged immediately and not in the near future and that the home building industry in the Saint-Maurice Valley be offered lower interest rates comparable to those elsewhere in the country.

Mr. Speaker, I know that grants have been made at a lower rate of interest for building apartment houses. Of course it is for houses to let, with apartments to let.

But Mr. Speaker, if some individuals are willing to invest tremendous amounts of money to promote one-family housing, this is as important—if not more—as promoting construction of low rent apartments. For this is a material ideal well understandable on the part of young families and even of all families, I think. Such an ideal, namely to have a house of their own, to feel really at home, is normal but it will materialize only if the terms are such that people may buy those houses.

Now when people are ready to invest so as to provide houses of that kind for workers with an income ranging from $4,000 to $5,000, I believe that requires all the attention of the minister responsible for housing, and he should give unreserved support to builders and would-be investors, in order to help the worker with an average or less than average salary, so that he may also have a house of his own.

• (4:50 p.m.)

This is the gap I wanted to outline in this housing program, but again I wish to repeat that I support the government measure.

I also support the drive shown by the minister responsible for housing and I hope he will throw himself with even more vigour and dynamism in implementing his policy to increase construction in this country.

The unemployment problem is being set forth in every detail by the whole community. The issue is so serious that, not long ago, the Quebec Minister of Labour even suggested that it could bring about revolution in some parts of the country before long.

Unfortunately, this may well be true and this is why we should absolutely pool our resources to come up with a real solution to this problem. It is a well-known fact that solutions are limited within our present fiscal and economic system. There are not many solutions. But if we seriously consider the possibility of bringing about basic change in our fiscal and monetary principles, we shall reach a final, not a temporary solution.

For instance, when technological progress and automation are forcing a great number of workers out of their job, should we conclude that it is necessary and essential to steer clear of progress and give priority to manpower over automation? If we keep within our present economic concepts, we finally come to this nonsensical situation where the extent of technological progress and automation is linked to the necessity of maintaining a given number of workers in a given industry. What happens next? Inflation, unavoidably. Then production costs go up accordingly. This is why we should now consider progress in a completely different perspective.

With enough ingeniosity, and thanks to his God-given intellectual capacities, man will find out a way to produce more with less manpower; we should be grateful to Providence and the genius of man. But since machinery is replacing the arms of man, why should the profits earned by machinery not be distributed to men?

Mr. Speaker, this principle that, in their usual language, Créditistes call a distribution of the purchasing power, of dividends, would if it were followed give us the possibility of eliminating unemployment, because we are in a dead-end street.

Must we spurn modern technology in order to have full employment, or change the system? If we are smart enough to replace ten men by a machine operated by only one worker, let us distribute the financial benefits brought about by this conversion to those ten workers. There is a normal way to consider life. And until these fundamental principles are applied, Mr. Speaker, I fear that a genuine solution will never be found. All the more since the present unemployment rate, which is given by the Dominion Bureau of Statistics, is far from representing the actual unemployment rate, if one considers that the samplings which are made in order to identify this unemployment rate may not be adequate, if one considers that a good many unemployed do not bother to register anywhere, either because they know that they cannot qualify for unemployment benefits, so they do not register, or because they know that it is useless to inquire for a job at the Manpower Centre.

But where are we going to find and count these unemployed? The rate that is given is in my opinion well under the actual rate, especially as it is recognized that there are now from 500,000 to 600,000 unemployed people in Canada. Taking into account the fact that a good many are not accounted for in the statistics, I would say then that there must be at present, in Canada between 800 and 900,000 unemployed and since each unemployed person has the responsibility of at least another person, it may be said that more than 2,000,000 people are directly affected by this plague called unemployment.

And when one has been living for the last couple of years through this idiotic fight unleashed by the Prime Minister (Mr. Trudeau) and based on an increase in unemployment as a means to combat the inflationary balloon, one knows what it is all about. And today, a cure is being sought for this disease which has now become just about incurable.

Nevertheless, we are still optimistic and we are prepared to offer our full and complete co-operation to the government so that by its action it may effectively fight unemployment and in this way help workers and all those in need to live a better life, even more so when we consider that in a land of plenty such as ours, it is absolutely shameful and still even more disheartening to have to starve in the midst of unparalleled plenty.

[*English*]

Mr. Tom H. Goode (Burnaby-Richmond-Delta): Mr. Speaker, my intervention in the budget debate is prompted by the failure of this Parliament to provide sufficient financial resources to deal with one of the most dangerous threats to our environment. I refer to solid waste and the problem of its disposal. The growing piles of garbage in this country have a potential for harm even greater than the pollution of our air and water. It is true that during the life of this Parliament we have dealt at some length with the question of the pollution of our air and water, but we have not yet come to grips with the problem I am discussing today. Perhaps the present order of priorities was inevitable since the attention focussed on the belching smoke from municipal dumps and incinerators, and water quality research into the effects of land fill, first prompted some of the concern felt today with regard to the disposal of solid waste.

• (5:00 p.m.)

The matter to which I am directing attention has been brought before the House twice within the last year by the hon. member for Hamilton West (Mr. Alexander) by way of private member's motion and I would like to commend that member for his foresight and perseverance. The motion proposed by the hon. member called upon the government to initiate a national research and development program in respect of methods of proper and economic solid waste disposal, including studies directed to the conservation of natural resources by reducing the amount of waste and unsalvageable materials and recovering and utilizing potential resources in solid waste and—I think this is especially important—to provide technical and financial assistance to provincial and municipal governments and multigovernmental agencies in the planning, development and conduct of solid waste disposal programs. I believe that such a program should be funded by the federal government through the soon-to-be-created department of the environment.

It has been argued that this is basically an urban problem. Strictly speaking, this is not true because a formal definition of the term "solid waste" would include mineral and agricultural waste. These two categories account for roughly 90 per cent of the solid waste produced in this country and this waste is usually found in the rural and less developed areas. The other 10 per cent which is made up of residential, commercial, institutional and industrial waste represents perhaps the most serious problem in that it is concentrated in our few heavily populated urban areas. Everywhere people live and work, solid waste builds up and most Canadians live and work in a few urban centres. Surveys show that 1,000 pounds of solid waste are produced annually for every man, woman and child in Canada. This figure is climbing each year, largely because of an improving standard of living.

Mr. Baldwin: How about cabinet waste?

Mr. Goode: Combine this fact with the prediction that by the year 2000 about 90 per cent of Canadians will live in urban areas and it is easy to see that we have quite a problem on our hands—a problem that will not go away just because we do not have the intergovernmental apparatus to deal with it. We have solved these problems before and we can do it again. In fact, we must do it again. The costs to city and regional governments for solid waste disposal continue to mount sharply. Part of the increase in cost is, naturally, a result of the growth to which I have referred. But other factors have contributed to this increase. One of these factors is the increased cost of collection resulting in large part from very necessary salary increases for traditionally low-paid sanitation workers. It is estimated that up to 80 per cent of funds spent on solid waste management goes into the collection and hauling of the waste to its final destination. Yet even with the expenditure of such a large percentage of the waste management budget on collection, we still have not advanced substantially from the days when a horse-drawn cart was the means of rubbish removal. We have simply replaced the horse with an internal combustion engine.

Another factor in the escalating cost of solid waste management has been an increase in capital cost expenditures as progressive local officials discover the need for new and improved modes of disposal of solid waste. They are finding that the old, open dump method of handling waste is not meeting the needs and higher standards of today. Yet it is disappointing to note that by far the greatest percentage of collected municipal solid waste is still disposed of in this manner.

There are a number of major disposal techniques that have been used in North America. These generally come under one of four headings: land disposal, incineration, composting and ocean disposal. Land disposal can mean anything from the worst open dumps to the most efficient sanitary landfill operation. I wish I could say that the day of the open dump was over, but as I have just indicated this is far from the case. A rat-infested, stinking heap of garbage in a gully all too often still passes for land disposal in parts of the country. On the other hand, a properly run, sanitary landfill can ultimately result in the creation of parkland, golf courses and other public facilities. Such landfill techniques have been extensively and successfully employed by municipalities in the greater Vancouver area.

However, problems can arise. For example, in humid climates there is a tendency for contaminated ground water immediately under the landfill to be flushed into adjacent water bodies, creating a potential pollution hazard.

An even more basic problem is encountered in trying to secure suitable landfill sites: land in and around our major urban centres is scarce and costly. Homeowners object to such facilities near built-up areas. Ecologists, quite rightly, stress the dangers involved in even the best of such schemes. Even municipalities and districts which have set aside large areas for sanitary landfill eventually realize that in doing so they have not provided a long-term solution: they have merely shifted the problem along by 10 or 20 years to the time when the landfill is completed.

The second disposal technique is incineration. This method, properly utilized, has very attractive side benefits. Among these benefits can be heat recovery to produce electric power or steam. For instance, I am informed that the newest Montreal incinerator produces steam which services most of the buildings in its immediate area. In the United States, the Combustion Power Company of Palo Alto, California, is developing a fluidized-bed incinerator which utilizes solid waste, burned at high pressure, to produce hot gases which power a turbine driving an electric generator. It is anticipated that this incinerator will produce about 15,000 kilowatts of electric power every day while in the process of burning 400 tons of municipal waste. Experts claim that municipal solid waste constitutes a fuel with a heating value equal to approximately one-third that of good grade coal, about 5,000 British thermal units per pound. There are, however, certain drawbacks to the incineration technique. These include the polluting properties of the by-products and the fact that after most existing incineration processes, roughly 25 per cent of the waste by weight remains in the form of ashes, glass and metals.

Composting is the third disposal technique. In this process inorganic substances are separated from the organic in mixed refuse and the latter is converted to a peat-like organic fertilizer and soil conditioner. This process has proved popular in European cities such as Madrid which composts 200 tons daily, and Moscow which in recent years opened a 600-ton per day plant. The process has never been very popular in North America because the compost product tends not to be of uniform quality and because the garbage and refuse of our cities is relatively low in organic content. Finally there has been a tendency for some cities and industries to look to ocean disposal as a means of getting rid of solid waste. Fortunately, this has not been much of a problem in Canada and the provisions of the new Fisheries Act make this undesirable practice extremely unlikely in the future.

After considering these various methods it seems to me, Mr. Speaker, that probably the best solution to the

solid waste problem lies somewhere within the framework of what has been called the three R's—recovery, recycling and re-use. We have been made most vividly aware in recent years that on this planet our resources are not infinite. Just because Canada has been blessed with natural resources which are the envy of every nation on this earth does not give us the right to fritter them away. In fact, the opposite is true. We must conserve them by every means at our disposal. One of these means is the process of recycling.

• (5:10 p.m.)

When we talk of recovery, recycling and re-use it is well to bear in mind that while these processes promise much hope they are as yet far from being totally explored. At the present time most techniques for separating and recovering waste remain relatively primitive and costly. The potential results of a successful program, however, are well illustrated in an example given in a report on solid waste management prepared by Mr. J. J. Kaller for the Greater Vancouver Regional District. It reads in part as follows:

> Hypothetically, a hundred thousand tons of paper per year taken out from municipal refuse collection and disposal budgets would mean close to a $1,000,000 per year saving in the cost of these services. It would also save space in the refuse dumps, create work for a salvaging company and save many acres of forests. To bring this more in perspective, it can be said that Vancouver daily papers alone can save about 10 acres of forest per day, or in the order of 3,000 acres per year. This year's Regional Districts 555,000 telephone directories, if repulped after salvaging, could save 35,000 trees.

Another dramatic example of what can be done is written up in the September, 1970, edition of "Environmental Science and Technology". According to that journal, construction should now be under way on a new $10 million solid waste reclamation plant in Newcastle county, Delaware. This plant is unique in that it will completely process 500 tons of domestic solid waste and selected industrial waste and 70 tons of sewage sludge per day and may eventually be expanded to process 1,000 tons per day. When I say completely processed, I mean that at the end of the process every bit of the solid waste will have been turned into a useful product. Ferrous metals will be removed and sold; organic wastes and sewage sludge will be turned into a high quality humus product; clean paper will be shredded, baled and sold; other paper and materials such as tires and plastics will undergo a technique which provides good quality carbon products; glass, grit, sand and non-ferrous metals will be sorted and sold. The objective is that the plant be brought as quickly as possible to the point where it is self-supporting, with the return from the reclaimed products offsetting operational costs.

Who will pay the construction costs? This, I think, is the significant point. Under a federal statute of the United States, the solid wastes resources act of 1970, pilot plants of this nature stand to receive up to 75 per cent of construction costs. What I have been trying to suggest today is that this is just the type of thing which I believe the government of Canada should be doing. I have outlined a number of problem areas in which the government could usefully employ funds for research, training, demonstration of new technology, technical assistance and grants for local, regional and provincial solid waste planning programs. Our neighbour to the south is doing this very thing, even though until the passage of the solid waste disposal act of 1965 local governments there, as here, have traditionally carried the primary responsibility for solid waste collection, processing and disposal with no assistance from the senior government. In other words, they are far ahead of us.

As I said at the outset of my remarks, a program such as I would like to see implemented would undoubtedly cost money but it would be money very well spent. I end with the following remark by the Conservation Council of Ontario which makes the point especially well:

> We are living in a highly complex world and the answers we will find will entail difficult choices, and they will cost money. Conservation is a matter of intelligent choices which will benefit mankind's own long-term interests and be in harmony with his environment. But we must choose, and we cannot afford not to pay the cost. Economic yardsticks can no longer be the major criterion in our decisions.

Mr. D. R. Gundlock (Lethbridge): Mr. Speaker, we often say when we rise on an occasion like this that we had no intention of speaking, but the previous speaker, to whom I listened very attentively, referred in particular to pollution. I have good news, I think probably the only good news that this House has had on this subject for many months. Today in Lethbridge the weather is particularly nice; it is in the high 50s. The snow is melting and nothing but good, clean snow water is draining gently into the river systems. I hope this will make my friend on the opposite side feel better.

I want to speak on several subjects, the main one being unemployment, a subject which most of us have tackled, as well as the OAS, the just society, Indians and agriculture. I say right at the outset that I have great respect for the office of the Prime Minister of Canada. Some time ago I felt very proud when one morning I heard a statement made by the Prime Minister (Mr. Trudeau). I have always been proud of the office of the Prime Minister. There are some things that have taken place right here in this House, however, that lead me to be somewhat critical of the present occupant of that office.

I mentioned earlier that I wished to say something about unemployment. This reminds me of a cartoon that I saw in a newspaper two or three weeks ago which showed the Prime Minister as a goal tender with the net behind him almost completely filled with pucks labelled "Unemployed". The referee depicted in the cartoon was the Leader of the Opposition (Mr. Stanfield), a greatly respected man, in a striped shirt. The caption read: "Are you interested in the score?" I think the cartoon well describes the debate today. Certainly the leader of the government must be interested in the score. But why are all these items piling up day after day, week after week and year after year?

I wanted to say something about agriculture and I think now is a good time to do so because early today, during the question period, the Prime Minister said, in answer to a question from a member of the opposition

relating to agriculture, that if the opposition were not so slow, the government would have moved more quickly. I regret that the Minister of Agriculture (Mr. Olson) is not in the chamber at the moment. I recall that on many occasions he has told us that all ten provinces agreed to the bill that he was sponsoring. He even asked a committee of the House to travel throughout the country in two different years. It was a very expensive procedure. But even with all that, the public did not go along with his marketing bill. The government did not bow to the slowness of the opposition; it bowed to public opinion.

• (5:20 p.m.)

I recall an experience with a former Minister of Agriculture, a westerner whom I respected. He fought for western Canada. I do not mean that a minister of agriculture necessarily should fight for one particular region or area. On that occasion the then Prime Minister said the opposition was being very slow, and the reply given to him was: "The Minister of Agriculture has less regard for the facts than a tom-cat has for a marriage licence." People in agriculture feel the same way.

The Prime Minister has placed the blame for many things on the opposition. He does not seem to have particular regard for the facts. At one time reference was made to members of the House of Commons to the effect that they were a bunch of bums. I have been a member of this House for a long time, Mr. Speaker: the people who represent the Canadian public are not bums. I know some hon. members of the House have been bumming around the world lately. They have been promoting Canada as a peacemaker throughout the world yet under the present administration we cannot look after our own affairs. They have been bumming around the world giving away money interest free. I shall have something to say about the interest that Canadians pay on money they borrow.

Returning to the question of unemployment, I would point out that we have the highest rate of unemployment in the western world. We have the highest rate of unemployment, percentagewise, related to population that Canada has ever known. It has been said that the thirties were our worst era in that respect, but I repeat that today we have the highest rate of unemployment percentagewise that our country has ever known. For years we have been told that the opposition has been at fault. I have heard many good suggestions made by members of the opposition, but they have not been accepted. I am scared at what is happening. Where are we going? Our country is becoming more divided. We are getting more unemployment. Interest rates are rising higher and higher, and all we hear is excuses.

I was happy to hear the announcement made by the minister responsible for housing. I am convinced this is one key to the solution of our unemployment situation. I would like to mention one case relating to unemployment, housing and OAS. I have here a communication that I received from a senior citizen in Ottawa. There are thousands like her across the country. She is a lady who is 82 years old, the widow of a former captain in the Ottawa fire department who retired after 42 years service, and whose pension lapsed when he died. Today she receives $133.61 a month, everything combined. Her rent is $117.50, leaving her $16.11 per month for food and clothing. This is the situation in the capital city, but there are thousands of people like this all across the country. She has been notified that on March 1 her rent will be raised by $10 a month, leaving her $6.11. I think $117.50 is a pretty high rent for a 100-year old building in centre town.

• (5:30 p.m.)

I was happy to hear what the minister said today but I have heard it many times. Had the scheme started even two or three years ago this senior citizen could be living quite nicely at half the rent. That kind of rent should allow for a nice new apartment. perhaps with a sauna bath and swimming pool. This situation is not confined to Ottawa but applies to my own city of Lethbridge. Why do we have so many announcements? Why do they tie up this tremendous building fund for years and years? The government says that we never offer anything, we are just a bunch of bums. Referring to the cartoon which appeared recently in the Hamilton *Spectator,* showing the Prime Minister with a net full of pucks, I ask why the devil he is piling up all this stuff. The thought which occurs to me rather scares me. If money were free for housing, a lot more people would be employed directly and indirectly: many thousands would be employed, including young people. But all we hear is talk.

I want to have a word about unemployment, particularly of young people. I mentioned the thirties. That was the last time we had unemployment that could be compared with today. No one can challenge my figures when I say that unemployment is higher today than it was in the thirties, percentagewise. We all know that the biggest force of unemployed is the medium-aged who have families to support. I have been through that myself. There has been a lot of talk about the young unemployed, and we all wonder what they are thinking. I believe they feel that the government of Canada has allowed foreign capital and foreign ownership to dominate the resources of this country to the point where we are controlled from outside. When we say foreign control we immediately think of the United States, but when we speak of winning battles against that country all we have to do is walk down the corridor opposite the library where a brass plaque commemorates the war between Canada and the United States. In that war we won over 20 battles; in fact, we won the war. We can do it again, but not the way this government is going.

We want to develop this country and keep it Canadian, but when you get on a train, bus or airplane you meet people from the United States who are interested in developing and investing in Canada. This is simply because this government—and I lay this at the feet of the Prime Minister—allows tax concessions to foreign countries investing in Canada that are not allowed to Canadians. These young people ask a legitimate question, Mr. Speaker, and I think they should have an answer. If Canadians were given even a part of the concessions allowed foreign investors, Canadians would control their own resources as never before.

I wish to say something about the just society that we have heard so much about. With all this unemployment I am beginning to wonder if there is even a society. I see the Minister of Finance (Mr. Benson) here and I want to say that I have a great deal of respect for him. However, unemployment will get worse before it gets better. I have pointed out, Mr. Speaker—and I hoped someone would challenge my remarks—that we are experiencing the worst unemployment in Canadian history. One wonders just how to define the just society. If unemployment becomes much worse, one may have to say, "We have just had a society." That is what scares me. We have drifted. Surely the government, which rests squarely on the shoulders of the Prime Minister, cannot blame other people for being too slow in this area. I do not want to go over the details—we have all heard them before—but if we go on like this much more I am afraid that what I have suggested may happen.

• (5:40 p.m.)

In conclusion may I say a word about a matter that ties in with unemployment. The other day we were told about the treatment of locals employed in the Northwest Territories. I have been a member of the Standing Committee on Indian Affairs and Northern Development ever since coming to Ottawa. I know that the allegation is true. I have sat in many committees and we were often promised that discrimination would no longer take place. I should not put it that strongly, perhaps. We were assured that it would no longer take place; there would be a conference among all departments in order to see that local, and particularly native people, would be fully employed.

The report the other day showed that people from southern Canada had been employed up there at between $12 and $15 a day in dragging chains. They were employed in surveying. To the native people, and particularly to Eskimos, such a sum would be a pretty nice stake: it would improve their lot. They are not educated in the sense used when we refer to educated people. They have no degrees; they have no secondary education. Nevertheless they are educated in the sense that they know how to survive and how to adapt to conditions, and that sort of thing. Why should they not be given that sort of job? I sat on the Committee on Miscellaneous Estimates when it was considering on November 26, 1970, the supplementary estimates of the Department of Indian Affairs and Northern Development. I tried then to introduce a question that had to do with the welfare of Indians and Eskimos.

I spoke of the death of an infant on the Blood reserve, Alberta, last September. The death was looked into by the chief coroner of Alberta, which shows how serious this matter was. In the coroner's inquest it was said that when the parents brought the young child to the hospital, they found a locked door. I am referring to the Indian hospital on the Blood reserve in Alberta. This was drawn to the attention of the minister when the committee was considering supplementary estimates. In addition it was learned that the parents were at one point refused the use of a telephone. They simply wanted to call a doctor.

It was also drawn to the chief coroner's attention that the attending physician had said much later that if he could have attended earlier, the death might not have happened. I referred all the details to the minister. The minister said that he could not accept any responsibility, that it was the responsibility of the Department of National Health and Welfare. Nevertheless, after insistence on the part of some members he agreed to call the matter to the attention of the Minister of National Health and Welfare. This was an accident, he said. I do not think it was an accident, Mr. Speaker. A few days later, when the supplementary estimates of the Department of National Health and Welfare were being considered, I asked whether the Department of Indian Affairs and Northern Development had transferred this matter to the Department of National Health and Welfare and was told that the latter department had not heard of it.

We have been discussing this and that matter and talking about reorganization of the government. To me, this will only give more jobs to people opposite. At a time when there is unemployment and suffering we are talking about reorganization and the additional expenditure that will be involved. I wonder, Mr. Speaker, if the members of this government are really communicating one with the other. I have given one example of what I mean but there are many others. We are asked to reorganize the government, but there is no communication between departments. We talk about reorganizing the government, but what is the use of establishing new departments if there is lack of communication between them? I think this situation will get worse. I have tried to bring forward my points and alternatives that could be taken. There is nothing new in them. With those words, Mr. Speaker, I shall sit down.

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, in the few minutes remaining today I want to use the latitude that is extended to us in this debate to direct my remarks entirely to one subject, agriculture. A concern for agriculture, its problems and people is not, of course, as Your Honour knows, limited to Canada: it appears to be increasing throughout the world. The roots of the concern are indicated by the words hunger, malnutrition, surplus, poverty, disparity, credit, markets, power, integration and information. With respect to those words Canada is no exception; the root words are found here too.

Many studies have been made in the past two or three years to identify agriculture's problems, analyse alternatives and recommend changes which, hopefully, will permit the realization of existing and future opportunities for food, feed and fibre and will increase the farmer's share of Canada's wealth. I want to take the liberty that is extended to me by participating in the debate to put on record a few statistics. By virtue of this being the House of Commons, I hope that these comments will receive a hearing in segments of the Canadian social structure other than agriculture. I am convinced that there is a vast breakdown in communication and understanding between agriculture and industry, especially the prime producers and the so-called urban people and consumers in general.

• (5:50 p.m.)

The most recent statistics indicate that in Canada there are in excess of 430,000 farm holdings, of which approximately 100,000 are commercial farms. There are 95,000 farms with sales of more than $10,000 per year, and 119,500 farms which paid federal income tax. Wheat and livestock farms account for one half of the commercial farm census, and dairy farms account for one-fifth. The total farmland area is 174 million acres. Eighty per cent of the total agricultural land is in western Canada. The total investment in Canadian agriculture of farm operators was estimated to be $22.4 billion in 1968, the most recent year for which statistics are available, or approximately $41,000 per worker, excluding rented land and buildings. New capital formation in agriculture is estimated to be approximately $1 billion a year, or approximately eight per cent of the new capital formation. The sources of new capital available to agriculture are varied, but a few sources predominate.

The farm labour force numbered 1,096,000 persons in 1948, 22 per cent of the total employed Canadian labour force. In 1968, 20 years later, this number had dropped to 546,000, or seven per cent of a much larger labour force. Capital inputs, compared to labour and real estate inputs, have increased from about one third of the total input in the period 1948-52 to over 50 per cent in recent years. The primary agricultural industry has become one which is highly dependent upon the non-farm or off-farm sector for supplies and services. Agribusiness is a term used to describe the non-farm industries which produce goods and services for farm use and those industries engaged in the process of raw materials of farm origin. Employment in the agribusiness industry, which includes food processing, tobacco manufacturing, leather goods, manufacture of implements and fertilizers, etc., has been estimated at 338,000 persons, or about 60 per cent of the employment in the farm or primary producer sector.

The two groups, the on-farm or primary producer and the off-farm producers, comprise about 12 per cent of the Canadian labour force. It is important for Canadians who are not familiar with or have not been interested in agriculture to recognize that approximately 18 per cent of the total rail freight in our country is comprised of farm products. Agricultural commodities represent exactly one quarter of the tonnage moved through the St. Lawrence Seaway. Farm expenditures on fuel and lubricants are equal to approximately 17 per cent of the total sales of motor fuels for use in motor vehicles. In the wholesale trade field, almost one quarter of the persons employed owe their employment to the sale of farm products, food products or farm supplies.

The most recent statistics indicate that $2.5 billion value added by the food and beverage industries represents 57 per cent of the cash receipts from farming, or $4.3 billion. In other words, Canadian farmers receive $4.3 billion. The food is taken off the farm and certain processes or actions are carried out. By the time it reaches the consumer, it increases in value by $2.5 billion, or 57 per cent of the original price. The food and beverage industry, compared with the paper, chemical, electrical, transportation and metal fabricating industries, employs the most people, pays the largest amount of wages and salaries, spends more on materials and supplies, ships goods of its own manufacture exceeding $7 billion and has by far the largest total value added, $2.5 billion in 1966.

Changes in agriculture during economic growth are influenced directly by the developments in food marketing. The most significant of these for agriculture is the rapid growth of large market-oriented food processors and distributors. The market-oriented firm, in contrast to traditional production-oriented business such as farming tries to discover what consumers want and to design an integrated research-product-package-promotion-distribution operation to meet these demands. In its outlook on operations it gives priority to consumers and marketing over production and procurement. This is especially true and relevant when the basic product that needs to be procured is produced in surplus and is easily available. As a result, farmers are increasingly called upon to tailor farm production to meet the dynamic, more exciting requirements of modern markets.

The Acting Speaker (Mr. Richard): Order, please. It being six o'clock, the House stands adjourned until two o'clock tomorrow afternoon. At 9.45 p.m. tomorrow a vote will be recorded on this motion.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

APPENDIX "A"

Constitutional Conference
Third Working Session
Ottawa, February 8 and 9, 1971
Statement of Conclusions

PART I

General

1. In accordance with the conclusion of their working session last September, the First Ministers gave priority to the questions of an amending formula and an early patriation of the Canadian Constitution. The Conference agreed that the Government of Canada and the provinces should proceed as quickly as possible to patriate the Constitution, with an appropriate amending formula applicable entirely within Canada, and with such other changes as can be agreed upon quickly. This approach would permit a substantial degree of progress to be made quickly, while work on other aspects of constitutional revision continues. The First Ministers considered that such action might incorporate the elements set forth in the following paragraphs. However, the First Ministers reserved their right to further analyze all the juridical and other implications.

Patriation of the Constitution

2. The Constitutional Conference agreed on a procedure to be undertaken in Canada at a very early date in order to bring home the Constitution and to transfer to the people of Canada, through their elected representatives the exclusive power to amend and to enact constitutional provisions affecting Canada. This procedure would involve:

(a) Agreement among the governments as to changes and procedure.

(b) Approval of a resolution in the usual way, by legislatures plus the two Houses of Parliament, authorizing the issuance of a proclamation by the Governor General to contain the amendment formula and whatever changes are agreed upon.

(c) Recommendation that the British Parliament legislate to:

(i) recognize the legal validity of the Canadian proclamation and its provisions;

(ii) provide that no future British law should have application to Canada; and

(iii) make any consequential repeal or amendment of British statutes affecting the Canadian Constitution.

(d) Issuance of the proclamation by the Governor General on a date to coincide with the effective date of the British law.

The Amending Formula

3. The Constitutional Conference has considered the nature of the formula which should be adopted to permit the Canadian Constitution to be amended wholly within Canada. The First Ministers agreed that the following formula was a feasible approach.

I. *General Procedure*

All constitutional amendments in future, except those covered in II and III, would require a resolution of consent at the federal level plus consent of the legislatures of a majority of the provinces of Canada including:

(a) the legislature of any province now containing at least 25 per cent of the population of Canada, and of any other province that hereafter contains 25 per cent of the population of Canada; and

(b) the legislatures of at least two provinces west of Ontario providing that the consenting provinces comprise 50 per cent of the population of the provinces west of Ontario and the legislatures of at least two provinces east of Quebec.

II. *Federal and Provincial Constitutions*

Sections 91(1) and 92(1) would be repealed and replaced by a section giving the Parliament of Canada and the legislatures of the provinces power to amend their respective Constitutions except with regard to the following matters when the general procedure set out in I would apply:

(a) the functions of the Queen, Governor General and Lieutenant Governors;

(b) need for annual sessions;

(c) maximum period between elections; (The above three would apply to the legislatures as well as to Parliament; the following would apply to Parliament only.)

(d) principle of proportionate and minimum representation of members of Parliament from the provinces in the House of Commons.

(e) the number and residence qualification of Senators representing each province, and the powers of the Senate.

III. *Amendments of Concern to Canada plus One or More but not All Provinces*

Such changes would require a resolution of consent at the federal level plus the consent of the legislatures of the provinces concerned.

Fundamental Rights

4. It was agreed to entrench in the Constitution the following basic political rights:

(a) universal suffrage and free, democratic elections at least every five years;

(b) freedom of thought, conscience and religion;

(c) freedom of opinion and expression; and

(d) freedom of peaceful assembly and association.

The exercise of these freedoms may be subject only to such limitations as are prescribed by law and as are reasonably justifiable in a democratic society in the interests of national security, public safety, health or morals or the fundamental rights and freedoms of others.

Language Rights

5. It was agreed that English and French should be declared the official languages of Canada, with the following provisions that would have equal application in all parts of Canada and to both languages:

(a) Any person may use English or French:

(i) in the Debates of Parliament and, with reservations expressed by some provinces, in the legislatures;

(ii) in any pleading or process in federal courts;

(iii) in communication with the federal administration.

(b) Federal statutes and instruments shall be in both languages.

(c) The individual shall have the right to have English or French as his main language of instruction in publicly supported schools in areas where the language of instruction of his choice is chosen by a sufficient number of persons to justify the provision of the necessary facilities. It was recognized that some further consideration will have to be given by various governments in order to determine appropriate administrative arrangements to implement the provision, what constitutes a "sufficient number", and what should be the percentage of instruction in the main language. Quebec lodged a general reservation with respect to this sub-paragraph pending an examination of all its implications.

(d) Parliament or a legislature may accord further recognition to the two languages.

Supreme Court

6. It was agreed that the existence and the independence of the Supreme Court of Canada should be entrenched in the Constitution, which should also provide for its basic structure. Its jurisdiction would continue to be that of a court of final appeal for the country. It was also agreed that, while the Federal Government should retain the power of appointment to the court, the Constitution should recognize the importance of provincial participation in the process of selection of suitable candidates for appointment. It was also concluded that study should be given to the means of assuring the availability on the court of civil law judges to hear civil law appeals. It was agreed, in addition, that there should be discussion of the jurisdiction of the Supreme Court to hear appeals in matters of strictly provincial law.

Regional Disparities

7. Recalling their conclusion on the subject of regional disparities at the working session in September, the First Ministers agreed that the Constitution should include a recognition of the importance of equality of opportunity for all Canadians. It was therefore concluded that the reduction of regional disparities should be referred to both in a new preamble and in the body of the Constitution.

(a) The preamble should state that one objective of Confederation is the social, economic, and cultural development, and the general welfare and equality of opportunity for all citizens in whatever region they may live;

(b) In the body of the Constitution there should be a statement of obligation on all governments, federal and provincial

(i) to promote equality of opportunity and well-being for all individuals;

(ii) to ensure, as nearly as possible, that essential public services of reasonable quality will be available to individual citizens.

(iii) to promote economic development which will reduce disparities in the social and economic opportunities of individual Canadians in whatever region they may live.

This obligation would not be enforceable by the Courts and would not have the effect of altering the distribution of legislative powers.

Mechanisms of Federal-Provincial Relations

8. It was agreed that the revised Constitution should contain a provision, probably in the preamble, recognizing the important role of intergovernmental consultation and cooperation in the effective working of Canadian federalism. Also, in order to provide for the basic mechanisms of federal-provincial consultation, there should be a specific provision that the Government of Canada shall at least once a year consult with provincial governments about the desirability of holding a Conference of First Ministers.

Modernization of the Constitution

9. Finally, the First Ministers agreed that work will be undertaken between now and the next meeting of the Constitutional Conference in June to propose specific alterations in the Constitution such as a new preamble and the deletion of spent and irrelevant provisions. Specific proposals in this respect will be brought forward for consideration by the Conference in June.

Next Step

10. It was recognized that the next steps would include further bilateral discussions leading up to the next meeting of First Ministers, and in addition as required, the on-going coordinating work of the Continuing Committee of Officials.

PART II

Social Policy

1. The Conference heard the views of the Government of Quebec on social policy in general and income security in particular. Quebec emphasized a broad conception of social policy and the importance of fitting income security measures into a global integrated policy with the objective of meeting effectively the problem of poverty. The Conference expressed its sympathy for this basic social objective. Quebec emphasized the fact that the existing distribution of legislative powers cannot be maintained if it impedes the realization of that objective. In addition, Quebec considers that the question of social policy is a fundamental element of the constitutional revision as a whole.

2. The federal government for its part expressed its desire to coordinate its income security measures with the social policies of the provinces in order that each provincial government as well as the federal government may best realize its social objectives. There is and should continue to be room for different social policies in different provinces.

3. In regard to the Quebec proposals in particular, the federal government noted that what was suggested in regard to family allowances was very similar to the proposed federal Family Income Security Plan. The Quebec statement also indicated that the Old Age Security Pension and Guaranteed Income Supplement would fit into its plans. Similar improvements in the Quebec and Canada Pension Plans have also been proposed.

4. Already decisions have been made to modify certain features of the proposals for amending the Unemployment Insurance Act on the basis of the information and arguments advanced by Quebec Ministers. Only in the case of the General Social Allowance Plan does there appear to be the necessity for further time and study to ascertain what is practicable during the near future.

5. The Conference was informed that bilateral discussions had already been planned between provincial and federal ministers and officials on these matters and their possible constitutional implications, and a further meeting of the Ministers of Welfare on income security was scheduled several months from now. The First Ministers asked that this work be accelerated and that the Ministers of Welfare report to the meeting of the First Ministers in June.

Canadian Interprovincial Marketing

6. Reference was made to current problems being encountered in connection with interprovincial marketing of certain agricultural products. The view was expressed that the problem had still not been solved, since the last discussion in September, and some provinces suggested that the Federal Government should exercise existing constitutional powers to deal with the matter. A further suggestion by some provinces was that provincial marketing boards should retract certain regulations that affect the freedom of movement of goods, but another view was that this could not be done unless other action were taken to replace such regulations and avoid harm to local agricultural industries. In this connection, it was suggested that the Farm Products Marketing Agencies Bill, now before Parliament could facilitate a satisfactory resolution of the problem.

7. It was also observed that the question of interprovincial trade was a fundamental constitutional question which should be examined at a later meeting of the Conference.

Environmental Management—Pollution

8. The Constitutional Conference examined proposals for constitutional changes in jurisdiction related to the control of pollution.

9. In particular, the First Ministers considered a federal proposal that there should be a new concurrent power for Parliament and the provincial legislatures to make laws in relation to the control of pollution of air and water. Under this proposal, if there were a conflict between a federal law made under this power and a provincial law made under it, the federal law would prevail when it applies to control pollution which has, or if permitted would have, significant international or interprovincial effects, but in other circumstances the provincial law would prevail over the federal law.

10. Some First Ministers expressed interest in this proposal. Another view, however, was that new provisions could better be considered after there has been more experience in dealing with pollution; in the meantime, it would be preferable to rely on improved arrangements for coordination and cooperation between governments based upon existing constitutional provisions. A further view was that areas of exclusive federal and provincial jurisdiction would be preferable to the general concurrency which has been proposed.

11. It was agreed that the implications of various constitutional approaches should be given further study.

Other Business

12. The Conference received a report from the Continuing Committee of Officials on Paramountcy as Applied to Public Retirement Insurance, and accepted the recommendations regarding additional study.

Next Meeting

13. The Constitutional Conference confirmed that it would meet next on June 14-16 in Victoria and that the meeting would be public, at least in part.

PART III

NON-CONSTITUTIONAL MATTERS

Unemployment

1. The First Ministers discussed the unemployment situation across Canada, and expressed their concern for the problems being encountered by many Canadians this winter. Several First Ministers urged the Government of Canada to take additional action to alleviate the problem.

2. The Minister of Finance of Canada outlined the policies of the Government of Canada to combat unemployment, and stated that present indicators point to increasing economic growth and declining unemployment as the year progresses. He stressed that over-reaction would aggravate the problem by causing a resurgence of the inflationary spiral.

3. It was generally agreed that the federal and provincial governments should consult together concerning any possible additional steps which might be taken to alleviate the present situation.

HOUSE OF COMMONS

Thursday, February 11, 1971

The House met at 2 p.m.

PRIVILEGE

MR. BALDWIN—EFFECT OF CHANGE IN METHOD OF CALCULATING SEASONALLY ADJUSTED UNEMPLOYMENT

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a question of privilege which affects every member of the House. It concerns the obligation of every member to do his duty as a member to his constituency, the nation and the House.

I conceive it is a member's duty to engage in meaningful and relevant debate on the business of the nation which comes before this House. To speak meaningfully, a member must be informed. When he speaks in criticism or praise of the administration of this nation's affairs by the government, it is essential that he be properly and correctly informed.

Parliament, therefore, has placed a duty upon the government to provide those members who request the same with accurate statistical information on a variety of aspects of the nation's business. To that end, Parliament established and staffed the Dominion Bureau of Statistics and placed the bureau under the administrative responsibility of the Minister of Industry, Trade and Commerce.

Section 32 of the Statistics Act reads in part as follows:

> Subject to the direction of the minister, the bureau shall collect, compile, analyse, abstract and publish statistics in relation to all or any of the following matters:
>
> (e) employment, unemployment.

Your Honour must be fully aware of how much time of the House has been devoted this session to debate on the question of unemployment. Your Honour must be fully aware of how important to that debate are the statistics used by members in comparing total unemployment figures, seasonally adjusted unemployment figures, unemployment insurance recipient figures, manpower job applicant figures, and in making monthly comparisons of these figures. If the Dominion Bureau of Statistics at any time changes its method of abstracting these statistics, it is the duty of the bureau not to act secretively but to announce this change and to give proper notice as far in advance of the change as possible, and it is the duty of the minister to announce it to members in the chamber and to explain and justify the reason for the change having been made.

The importance Parliament attaches to meaningful information, including consistency in the methodology of abstracting statistics, is made signally clear in section 35 of the Statistics Act. That section makes it an offence for any person to wilfully provide the bureau with false information or practise any other deception.

The Dominion Bureau of Statistics and the Department of Manpower and Immigration have made a joint public report on the labour force which was released today, and it would appear that they have changed their statistical methodology in calculating the seasonal adjustment of labour force figures. By that one change, the Dominion Bureau of Statistics and the Department of Manpower and Immigration have deprived Members of Parliament of meaningful comparison between the seasonally adjusted unemployment figures for most of 1970 and those of 1971. This change can only confuse the debate on unemployment that has continued throughout 1970 to the present time, is being debated today by the House, and will continue. I could go through this release and establish beyond any shadow of doubt that the information contained in it can only serve to confuse and make it difficult for members to participate in this debate.

• (2:10 p.m.)

Any doubts I may have had about bringing up this question of privilege have been overborne by the fact that this is the fourth time within a few weeks that the government, through issuing secret memoranda, has engaged in what I can only call a program of deceit which is repugnant to this House and repugnant to the country. It is in that larger sense that I ask Your Honour to hold that I have in fact established a prima facie case and can move the motion which I have prepared if Your Honour so holds.

Mr. Speaker: The hon. member for Peace River has given the Chair the notice required under the Standing Orders of his intention to raise this matter by way of question of privilege. As he and all other hon. members know, the duty of the Chair is to give an opinion by way of ruling on whether there is a prima facie case of privilege. If the ruling of the Chair were that there is a prima facie case, then a motion could be put by the hon. member and debated by the House.

I have given the matter very serious thought and I have to inform the hon. member that I really do not think there is a prima facie case of privilege. What he complains of is that the statistics, which I understand have been published today, do not follow the methodology, to use the hon. member's word, followed in previous months or previous years, which makes it difficult for the House to continue its debate on unemployment. I would think that this is essentially a grievance. The hon. member may have a very legitimate complaint with respect to a question of administration, but this does not amount to a breach of parliamentary privilege. Again, with great respect I suggest to the hon. member and to the House that while there may be a grievance on the

part of the hon. member for Peace River I do not think there is a question of privilege which ought to be debated or referred to a special committee of the House for consideration.

I understand that there is to be a continuation this afternoon of the debate on unemployment until later this evening and that a vote is to be called at 9.45 p.m. Between now and 9.45 there will be an opportunity for the hon. member who has just spoken and for other hon. members, if they want to take part in the debate, to refer to the grievance raised by the hon. member for Peace River.

[*Translation*]

Hon. Jean-Luc Pépin (Minister of Industry, Trade and Commerce): Regarding the question of privilege, Mr. Speaker I think that the House ought to be informed that there has been no change in the method of establishing—

[*English*]

Mr. Speaker: Order, please.

Mr. Hees: Down.

Mr. Pepin: I am not talking to you.

Mr. Hees: Look to your left. Sit down.

Mr. Speaker: Order. Obviously the minister is rising in connection with the question which has been raised by the hon. member for Peace River. As the Chair has ruled that there is no question of privilege, there should be no debate. I suspect that during the question period inquiries will be made about the matter to which the minister has just alluded, and if he wants at that point to give an explanation in reply to a question asked, that will be the proper time to make that explanation.

Mr. Lewis: Or on motions.

[*Translation*]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

Eighth report of Standing Committee on Finance, Trade and Economic Affairs, in both official languages—Mr. Clermont.

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

* * *

[*English*]

ROYAL VISIT

BRITISH COLUMBIA—TABLING OF ITINERARY

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, under the provisions of Standing Order 41(2) it gives me pleasure to table copies of the itinerary of the visit of the Queen, the Duke of Edinburgh and Princess Ann to British Columbia in May.

Some hon. Members: Hear, hear!

* * *

GRAIN

STATEMENT ON NEGOTIATIONS FOR NEW INTERNATIONAL GRAINS ARRANGEMENT

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, before commencing my statement I wonder if I might express a word of apology. The lateness of the receipt of messages from Geneva has prevented us making available to hon. members copies in both languages. This will be corrected at the earliest possible opportunity.

The United Nations Wheat Conference was convened to conclude a successor agreement to the International Grains Arrangement which comprised a Wheat Convention and a Food Aid Convention. The Canadian delegation was led by Mr. Maurice Schwarzmann, Assistant Deputy Minister, Department of Industry, Trade and Commerce, and included officials of other government departments, the Canadian Wheat Board and representatives of producer organizations.

Canadian objectives at this conference were to conclude a new wheat agreement designed to provide market stability and price discipline for wheat trade. We wished to include price levels which would reflect adequate returns to efficient wheat producers. We stressed the fundamental issue of production policy and urgent need for countries which subsidize wheat production to reduce such subsidies, but it was clear that this issue could not be encompassed in this negotiation. We were openminded as to the specific details of a new agreement provided that Canada would not be placed at a competitive disadvantage and provided there was equity in rights and obligations among exporters and between exporters and importers.

We made it clear from the outset that Canada could not accept selection of a Canadian wheat as the single reference wheat as had been the case under the old international wheat agreements. Because of significantly changed world trade and production in wheat this would have put Canada at a competitive disadvantage.

A number of proposals were considered as to the shape and nature of a new agreement and as to the types of wheats on which its structure could be based. Preliminary consideration was also given to the price levels for such an agreement both at the minimum and maximum.

It would not be in the best interest of the future of wheat co-operation to enter into detail as to the particulars of these issues which were under negotiation in Geneva and which will be the subject of future discussions aimed at arriving at an acceptable solution. However, it became clear in the discussions in Geneva that despite every effort and with best will on all sides it still was not possible at this particular time to reach agree-

ment among the major countries concerned on these questions.

Despite the difficult issues and the divergent approaches that have been identified, we consider that the intensive work accomplished will be helpful in facilitating the elaboration of a new agreement on wheat prices at a later date. Therefore while it is a matter of serious regret that an agreement including pricing provisions could not be concluded, we are not unduly discouraged or pessimistic by the lack of such agreement at this time. Indeed it is clearly understood by all participants that the matter of an agreement on wheat prices is to be kept under review and that new negotiations of this subject will be initiated at an appropriate time.

In absence of agreement on a price framework, negotiations are now proceeding in Geneva for the conclusion of a new wheat agreement designed—

(A) To maintain the full institutional framework for continued wheat co-operation including all the traditional functions of reporting on wheat trade, prices and freight;

(B) To provide specifically for close consultation among exporting and importing countries with respect to price in the light of actual market trends with a view to avoiding serious price fluctuations or undue difficulties in wheat marketing;

(C) To ensure that the new Wheat Council shall keep under review the possibility of reopening negotiations for a pricing agreement and to ensure that such negotiations take place when circumstances are considered to be favourable.

In parallel to this negotiation, discussions are also taking place for the extension of the Food Aid Agreement for which the developing countries at the conference have expressed the strongest support. Canada is prepared to continue its participation in such a Food Aid Agreement.

The results of this conference are far removed from what Canada had sought to obtain. However it should be borne in mind that the price provisions of the 1967 agreement have not been operative for some time. While the new wheat agreement now being concluded is of only limited significance, it does provide the framework for continued co-operation in wheat matters and contains within it the potential for subsequent agreement on the important questions of price levels and the pricing framework.

The producer representatives who participated fully as advisers to the delegation and who are aware of the underlying issues which have led to these developments in Geneva, are of the view that the limited wheat agreement now being concluded is, in the light of all the circumstances, the most appropriate and constructive outcome possible at this time from the point of view of Canadian interests.

Mr. Diefenbaker: What an alibi for a defeat!

Mr. Cliff Downey (Battle River): Mr. Speaker, it is very disappointing that no conclusive agreement has been reached at the United Nations Wheat Conference. At this time of year the grain farmers of the west need to know what is to come in the years ahead so that the industry may once again rise to the heights it once knew. In the absence of any satisfactory international arrangements at present, I think all of us hope that the government, on its own, will give top priority to providing Canadian farmers with a suitable price guarantee.

• (2:20 p.m.)

Mr. John Burton (Regina East): Mr. Speaker, all the flowery words that the minister used and might use cannot cover up the fact that he and the government are whistling in the dark. The fact is that this conference was a failure. We are witnessing a collapse of orderly international marketing. I think this is underlined in the minister's statement where he said, "To ensure that the new Wheat Council shall keep under review the possibility of reopening negotiations for a pricing agreement and to ensure that such negotiations take place when circumstances are considered to be favourable".

This is one of the things they are working toward. This illustrates the fact that we have witnessed a collapse of orderly international marketing. The government must accept the responsibility for this situation.

For the past several years we have seen an unparalleled series of errors and poor judgments on the part of the government. They allowed the situation to get out of hand. It started in the 1966-67 period. The government cannot say they were not warned. The hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) and others warned that what the government was doing would result in a catastrophic situation for Canadian wheat producers and the international wheat market. The government allowed Canada to be persuaded to replace the International Wheat Agreement with the International Grains Arrangement. They were persuaded to keep Russia, the largest wheat producer in the world, out of the new arrangement.

They allowed an 11-month gap between the expiry of the old International Wheat Agreement and the commencement of the new International Grains Arrangement. There was no firm price arrangement in the International Grains Arrangement. The private United States trade was allowed to break the new agreement before it even commenced. The government did not stand behind the Canadian Wheat Board in the 11-month gap in time for the Canadian Wheat Board to take effective action to deal with the situation which developed in 1967. They did not stand behind the Canadian farmers in 1969 and 1970. It is not the government but the farmer who is now reaping the whirlwind of government policy failures.

The key must be to ensure that there is adequate assistance to agriculture and the wheat producers of Canada. We must take steps to ensure that the wheat farmer does not have to bear the brunt of competing against other countries, as pointed out in the minister's statement.

Canada will suffer from the situation that is now developing. It is a further step in the destruction of rural society and the rural economy in Canada, western Canada in particular. We need firmer government action

than we have witnessed to date in order to ensure an adequate price level for Canadian wheat producers.

* * *

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, the minister has just made a statement on the report of the Wheat Conference held in Geneva, and I am sorry to say that I have just received a copy of it.

The minister has stated that the United Nations Wheat Conference had been convened to conclude a successor agreement to the International Grains Agreement which included a Wheat Convention and a Food Aid Convention. He has also stated that there was no concurrence for the simple reason that the other countries would not decrease their subsidies.

This is what surprised me, Mr. Speaker. We think that Canada is the third wealthiest country in the world and when our country tries to come to an agreement with nations that are considered poorer, it cannot be done because those nations assist their producers to a greater extent by way of subsidies. And instead of announcing a decision to raise subsidies to the same level as the other countries and thus achieve perfect agreement, the government persists in giving farmers nothing, in not increasing assistance to production, and then tells the House: We were not able to come to an agreement. The government seems content to state: After all, we had good discussions, there has been constructive agreement on Canadian business. Such an attitude astounds me, Mr. Speaker. Having first told us that the conference was a failure, the Minister then says it has been very constructive for Canadian business. We know, however, that it was destructive for Canadian producers. I wonder how he was able to come up with such a conclusion. Anyway, the government always reaches such conclusions, whatever level of production is involved. It is always satisfied when giving as little money and help as possible to producers. We have here one more example of that attitude.

* * *

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT FIGURES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I ask the unanimous consent of the House to put a motion on a matter of urgent and pressing necessity.

The necessity arises as a result of the surreptitious introduction by the government of a new method of calculating the seasonally adjusted rate of unemployment. Throughout 1970, the seasonally adjusted unemployment rate for each month was calculated according to a statistical program called X-9. Some time before the end of 1970, the government ordered that a new statistical method of calculation be put into effect on January 1, 1971. This statistical program is called X-11. As a result, the seasonally adjusted rate of unemployment for January, released today to the public, the press and Members of Parliament, is calculated according to formula X-11. The government, by this deliberate and furtive switch of statistical horses in midstream, has lowered the seasonally adjusted unemployment rate for January from the rate that exists under the method heretofore used by the Dominion Bureau of Statistics; the government has attempted to deceive the public, the press and Members of Parliament by hiding its adoption of this formula—

Mr. Speaker: Order. I have to interrupt the hon. member. He will recognize that he is reiterating essentially the point made earlier this afternoon by the hon. member for Peace River who made a statement suggesting that a grievance should be put to the House by way of a question of privilege. The hon. member is aware of the limitations placed on him at this time by the terms of Standing Order 43. He cannot make a general statement. I have expressed the thought on earlier occasions that if hon. members were entitled, when moving a motion under Standing Order 43, to make a general statement it would only be equitable that someone on behalf of the other side should be allowed also to make a statement, and that certainly would be contrary to the spirit of Standing Order 43.

The Standing Order is clear enough. The hon. member has to explain briefly the reasons for urgency. He cannot make a statement of a general nature of the kind he is making at the present time. I invite him to indicate as soon as possible the terms of the motion he proposes for the consideration of the House.

Mr. Lundrigan: Thank you, Mr. Speaker, and I assure you that my words are well chosen to set out the very basic reason for my motion.

Some hon. Members: Oh, oh!

Mr. Lundrigan: Just one last sentence.

Some hon. Members: Order!

Mr. Lundrigan: The government has prevented the public and the press from making meaningful comparisons between the 1970 rates and the 1971 rates. I therefore move, seconded by the hon. member for Vegreville (Mr. Mazankowski):

That this House condemn the government's manipulation without notice of the seasonally adjusted rate of unemployment in an attempt, deliberately calculated and intended to deceive the public, the press and Members of Parliament as to the disastrous effect of the government's unemployment policy—

Some hon. Members: Order!

An hon. Member: Pitiful.

Mr. Lundrigan:

—and further, that the government immediately distribute—

Some hon. Members: Order!

Mr. Lundrigan: I am touching a very sensitive nerve centre across the way, apparently.

—and further, that the government immediately distribute a revised series of unemployment rates between 1954 and 1971 to enable this House and the public meaningfully to compare this new statistic with previous years' data.

• (2:30 p.m.)

Mr. Speaker: Order, please. Again I have to express serious reservations about the kind of statement that has been made by the hon. member. I appreciate that the matter he has raised is one of interest to all hon. members, but I suspect that perhaps the statement did go beyond the limitations imposed by the Standing Order. In any event, I now have to inquire whether there is unanimous consent under the terms of Standing Order 43.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity so the motion cannot be put.

UNEMPLOYMENT INSURANCE BENEFITS AND WELFARE ASSISTANCE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to move a motion under Standing Order 43 which entitles me to make a brief statement in explanation. The figures released today by the Dominion Bureau of Statistics indicate that there were 668,000 persons out of work in mid-January. Optimistic predictions that we have turned the corner and that the economy will improve later in the year are cold comfort to those who are walking the streets in the depths of winter looking for jobs. The immediate responsibility of this Parliament is to ease the privation and hardship these unemployed are now suffering. The least we can do is to provide them with the necessities of life during a crisis which is not of their making and for which the federal government must accept the major responsibility.

I therefore move, seconded by the hon. member for York South (Mr. Lewis):

That this House urges the government to take emergency steps to extend the eligibility period for unemployment insurance, to increase benefit payments and to relieve the pressure on municipal welfare budgets by increasing the federal government's contribution to 65 per cent under the Canada Assistance Plan.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Nanaimo-Cowichan-The Islands under the terms of Standing Order 43. The motion requires the unanimous consent of the House. Is there unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimous consent the hon. member's motion cannot be put.

23786—66½

Unemployment Figures

GRAIN

ATTENDANCE OF MINISTER AT INTERNATIONAL CONFERENCE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I ask leave to move a motion under Standing Order 43. In view of the urgent and pressing necessity for at least a limited wheat agreement, and taking into consideration reports that there appears to be little chance of good will being arrived at between the wheat trading nations during the Geneva meetings which are due to end on February 19, I move, seconded by the hon. member for Yorkton-Melville (Mr. Nystrom):

That this House request that either the Minister of Agriculture or the Minister of Manpower and Immigration responsible for the Canadian Wheat Board attend the meeting in Geneva this weekend in order to bring cabinet support to those that are now negotiating for Canada and that this House authorize leave of absence for such minister as required under Standing Order 5.

Mr. Speaker: This motion also requires unanimous consent before it can be put.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimity the motion cannot be put.

* * *

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received which is as follows:

February 11, 1971

Sir:

I have the honour to inform you that the Honourable D. C. Abbott, P.C., Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, February 11, at 5.45 p.m., for the purpose of giving royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
Louis-Frémont Trudeau
Brigadier General
Assistant Secretary to the Governor General

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

UNEMPLOYMENT INCREASE—IMMEDIATE ADDITIONAL STEPS TO STIMULATE ECONOMY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Finance. Does the minister now intend to take immediate additional steps to stimulate the Canadian economy in view of the fact that, according to the last

publication of Dominion Bureau of Statistics, unemployment in January reached 8 per cent, involving a total of 668,000 Canadians?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I have dealt with this matter very often. I have indicated that we believe that the steps we have taken will have an effect upon the economy. I have said that there would be higher unemployment this month, as is always the case in January, but that, seasonably adjusted, the rate would go down. This is quite contrary to what my hon. friend has said, as reported in the *Globe and Mail* on February 1—

Some hon. Members: Order!

Mr. Benson: —that unless the government took further steps it would not go below 6.6 per cent. I wonder whether he would now like to withdraw that statement.

Mr. Stanfield: Mr. Speaker, I should like to ask the Minister of Finance whether or not he is prepared to revise his program, particularly in view of the fact that the increase in unemployment between December and January amounted, according to Dominion Bureau of Statistics, to some 130,000 Canadians, as opposed to the minister's own forecast of what he called a normal increase of some 100,000 persons between the months of December and January?

Mr. Benson: Mr. Speaker, if my hon. friend would look at the seasonally adjusted change the figure is 109,000.

Mr. Stanfield: Mr. Speaker, again I would ask my hon. friend whether, in view of the fact that his own forecast of the increase in unemployment between December and January has been exceeded by some 30 per cent and amounts to a figure of 130,000 Canadians, whereas a year ago the increase between December and January was 102,000 and the year before that 94,000, he could explain to the House or to anybody else how he finds any seasonally adjusted improvement in these figures?

Mr. Benson: Mr. Speaker—

Mr. Speaker: Order, please.

UNEMPLOYMENT INCREASE—AMENDMENT OF UNEMPLOYMENT INSURANCE ACT TO BROADEN ELIGIBILITY FOR BENEFITS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a supplementary question for the Minister of Finance, if I can persuade him to stop playing the numbers game and deal with the unemployed. As the number of unemployed who have been out of work for six months or more has increased by 100 per cent this January compared with last January, from 54,000 to 108,000, is the government prepared to bring in immediate legislation to extend the eligibility period for those who have already exceeded it and thus enable them to receive payment and so that the younger people who have not acquired sufficient stamps to be eligible may be brought under the benefits of the Unemployment Insurance Act?

[Mr. Stanfield.]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, this is, of course, a matter for the consideration of the Minister of Labour who looks after unemployment insurance. With the assistance of the House we would hope to have new unemployment insurance legislation very quickly. In addition, we have already increased benefits, as my hon. friend knows, in the December budget for those on unemployment insurance.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact that the increase in benefits was only 10 per cent and the white paper proposes raising the benefits much higher, is the minister prepared to give any consideration to the 277,000 unemployed under 25 years of age, many of whom cannot qualify for unemployment insurance, who are debarred from the manpower training allowances because they have not had three years in the labour force, and cannot get welfare because—

Mr. Speaker: Order, please. Perhaps it might be assumed that the hon. member has asked a question. If he has further questions to ask he might put them in the form of supplementaries.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, perhaps I might complete the question I was asking. Many of these young people cannot receive welfare as they have not established residence. Does the government propose to take any measures either by way of an amendment extending the benefits under the Canada Assistance Act or by alterations in the Unemployment Insurance Act in order that many of these young people who are not provided for now will be taken care of?

Mr. Benson: Mr. Speaker, I am not familiar with the problem regarding residence, but it has been indicated to me by the Minister of National Health and Welfare that residence should not really be a problem under the Canada Assistance Plan. I should also like to suggest, in respect of the use of the figures game, that last week the hon. member and other members of his party were raising the fact that there are more people receiving unemployment insurance than there are unemployed.

[*Translation*]

UNEMPLOYMENT—SUGGESTED EXPANSION OF MONEY SUPPLY

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a supplementary question to the Minister of Finance.

As a result of the ever-increasing number of unemployed and since new credit facilities for some $13,425 million have been requested, according to the Canada Sun Life Company, is the Minister of Finance or the government considering the possibility of asking the Bank of Canada to grant the credit in order to meet those constant financial needs?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as everyone knows, there has been a great expansion in the money supply in Canada. Credit is a great deal easier

to get now and at much lower interest rates, thanks to government policy.

USE OF WORKS PROJECTS OR TAX REDUCTIONS TO STIMULATE ECONOMY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question I should like to direct to the Minister of Finance. In view of the seriousness of the situation, as made clear by the figures released today, does the government intend to try to fight unemployment primarily by means of federal works projects, or does it intend to try to stimulate the economy by lowering taxes, thereby stimulating production and jobs?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the government has to make a choice as to whether it is going to attack unemployment in areas where it is the worst, which is the choice the government made, or adopt general measures in respect of the whole economy by way of reducing taxes.

Mr. Hees: Can we take it from the minister's remarks that the government is not really concerned with unemployment conditions right across the country which—

Mr. Speaker: Order, please. I suggest that the hon. member's question is argumentative.

[*Translation*]

UNEMPLOYMENT—PROPOSAL BY QUEBEC OF SPECIAL PROGRAMS

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a supplementary question for the Minister of Finance.

As unemployment has reached very serious proportions in Quebec, would the minister inform the House whether, at the last federal-provincial conference, the Quebec delegation proposed some special programs to the federal government in order to help solve this problem? If so, what was the federal government's response?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I do not think that special programs were submitted by the province of Quebec at that time. However, in respect of the loan fund which we raised to $160 million, the province of Quebec was the first to take advantage of it to the tune of some $70 million, which I am told will create approximately 12,000 jobs.

UNEMPLOYMENT—MONEY LENDING PURPOSES—AVAILABILITY TO UNEMPLOYED

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a supplementary question to the Minister of Finance. In light of the fact that he says much more money is available for lending purposes at lower interest rates, will he indicate how the hundreds of thousands who are unemployed can obtain some of that money?

Hon. E. J. Benson (Minister of Finance): That was not the original question raised. I have sincere sympathy for people who are unemployed, but they can take advantage, of course, of unemployment insurance—

Mr. Baldwin: You told them they could live on $30 a week.

Mr. Benson: —and the many benefits this government and its predecessor brought in by way of improvements in the Canada Assistance Plan and other programs.

An hon. Member: How are they going to live on $30 a week?

Mr. Howard (Skeena): Mr. Speaker, is the minister aware of the fact that one of his closest friends, the Bank of Montreal, has predicted that even though there may be an upsurge in the economy the unemployment level will still be approximately 6 per cent?

Mr. Speaker: Order, please.

REPLACEMENT OF LOANS TO PROVINCES TO FIGHT UNEMPLOYMENT BY GRANTS

Hon. J. A. MacLean (Malpeque): I should like to direct a supplementary question to the Minister of Finance. Have any of the governments of the Atlantic provinces requested the federal government to change some of its loans intended to fight unemployment to grants in areas where unemployment is high? In light of the fact that Premier Campbell of Prince Edward Island has stated that the capital loans program only shifts the responsibility for action from the federal to the provincial governments, is any change in plans contemplated and will grants be given?

Hon. E. J. Benson (Minister of Finance): The purpose of the loans program is related to our feeling that if we provide substantial amounts of money to the provinces they in turn would have public works projects which they could proceed with in the municipalities very quickly. Of course all the provinces would rather have grants than loans, but the loans are being made at very low interest rates over a long period of time.

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, my supplementary question is also directed to the Minister of Finance. In light of the present massive burden of unemployment and the government's refusal to further assist the provinces and municipalities in carrying this burden, will the government immediately introduce access and benefit amendments to the Unemployment Insurance Act in order that the provinces will no longer have to finance welfare assistance for unemployed employables who are the federal government's responsibility?

Mr. Benson: That question was just answered.

Mr. Speaker: Order, please. The hon. member will realize that this question has been asked on a number of occasions.

UNEMPLOYMENT—RECEIPT OF INCREASE IN INSURANCE BENEFITS BY ALL UNEMPLOYED

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a supplementary question for the Minister of Finance. He mentioned a recent increase of

10 per cent in the rate of unemployment insurance payments. Is he aware of the fact that in spite of the definite promise by his government the 10 per cent increase is not going in all cases to those who are unemployed?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as I indicated previously, we increased unemployment insurance benefits by 10 per cent. Although this is an administrative function of the Department of Labour, I assume that this increase is going to the people who are unemployed and drawing unemployment insurance.

Mr. MacInnis: I have a further supplementary.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Cape Breton-East Richmond on a supplementary question, but I notice that there are ten or 15 members rising to ask supplementary questions on the same subject. The Chair will soon have to make a decision on whether we should spend the whole question period discussing this important matter.

Some hon. Members: Agreed.

Mr. Speaker: Order, please. I suggest to hon. members that this is a decision the Chair will have to make. For the moment the Chair will recognize the hon. member for Cape Breton-East Richmond.

Mr. MacInnis: Does the minister not consider that his position as Minister of Finance makes it incumbent upon him to carry out the definite promise made by the government in respect of the payment of unemployment insurance to the unemployed—and that should be enough to wipe the grin off the Prime Minister's face.

Mr. Speaker: Order, please.

UNEMPLOYMENT—EASING OF WORK PERIOD REQUIREMENT FOR MANPOWER RETRAINING

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker. I have a supplementary question for the Minister of Manpower and Immigration. In view of the high unemployment rate among young people in Canada, will the minister say whether he is considering amending the manpower regulations in order that young people with less than three years in the labour force can qualify for retraining assistance?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I do not think anything has changed since we had the last discussion on this matter.

Mr. Baldwin: The rate of unemployment has changed.

[*Translation*]

UNEMPLOYMENT—SUGGESTED REDUCTION OF INTEREST RATES ON LOANS TO PROVINCES

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask the Minister of Finance a supplementary question.

[Mr. MacInnis.]

In view of the answer he gave earlier to the effect that his government was trying to provide supplementary funds to help the provinces and municipalities undertake some public works, and considering the outrageous interest that provinces and municipalities will have to pay, does the minister intend to offer the loans at a much lower interest rate so as to enable municipalities and provinces to achieve their projects and, at the same time, reduce the unemployment rate?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, that is exactly what the loan fund is intended to do. It will be included in the estimates to be presented to the House very soon. We will be turning the funds over to the provinces as soon as they require them to move forward with their projects.

UNEMPLOYMENT—FISCAL AND MONETARY POLICIES TO COMBAT PROBLEM REGIONALLY

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, in view of the fact that the Atlantic provinces have an unemployment rate of 10.2 per cent, with an unemployment rate in one province of 13.9 per cent, and in view of the fact that Quebec has an unemployment rate of 10 per cent and British Columbia has an unemployment rate of 9.4 per cent, with a 2 per cent increase on the Prairies is the government contemplating the adoption of fiscal and monetary policies to combat this serious and chronic problem at the regional level?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, that is exactly what we have been doing through our regional development program, through the ARDA program, through the manpower retraining program, and recently in my budget through the program for special loans with the larger amounts going to the areas that have higher unemployment.

Mr. Lundrigan: May I ask the Prime Minister, who has sat there for the last 20 minutes with a grin on his face, as my hon. friend said—

Mr. Speaker: Order, please. The hon. member has the floor to ask a question. If he does not want to do this, we should move on as quickly as we can.

Mr. Lundrigan: Mr. Speaker, on a point of order, it is inconceivable that the Prime Minister of our country should sit there grinning all through the question period.

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

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Minister of Manpower and Immigration. Are the minister's manpower retraining facilities available to the Minister of Finance so that he can retrain for a new job when he resigns?

Mr. Speaker: Order, please.

GRAIN

FAILURE OF INTERNATIONAL WHEAT CONFERENCE TO REACH AGREEMENT—PLANS TO ASSIST PRAIRIE FARMERS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. He has announced what I predicted weeks ago, namely, the failure of the conference in Geneva, which will be a death knell to the western wheat farmers. Will he say what plans, if any, the government has to meet the serious situation on the Prairies?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, a good bit has been said in recent days about what we are doing, including our very aggressive selling policy both in barley and wheat, which has borne such fruit.

Some hon. Members: Hear, hear!

Mr. Baldwin: We are selling wheat, not fruit.

Mr. Lang: In addition, there has been a whole package of proposals for grain producers which is before them at the present time. There is in addition the statement which I made earlier in the House in which I indicated the continuation of discussions and the real prospect of continued co-operation in order to maintain some order in world wheat markets without specific pricing provisions in an international agreement. I believe there is real substance for an agreement which will maintain that kind of order as we work for what the Canadian government supports firmly, which is international order in the form of a fully binding international agreement in the future.

Mr. Baldwin: And they lived happily ever after.

Mr. Diefenbaker: As one minister recently stated, it takes courage for a government to create unemployment. Will the government give consideration now to having the same courage to face the situation on the western prairies and bring about acreage payments, a two-price system, and a floor price for wheat which will cease now owing to the inability of the nations to agree in Geneva? What is the minister going to do about it?

Mr. Lang: As I indicated, there is a whole package of proposals before the Prairie producers by which we hope to help the industry, and we are examining every facet of the industry. So far as a guarantee is concerned, that was the subject of an international agreement which did not add substantially to international order at one time even though the agreement existed. As hon. members know, the government took some steps in connection with the domestic market, notwithstanding the lack of firmness in the international area.

Mr. Diefenbaker: Will the minister, instead of giving us a Niagara of words say what the government has in this package except airiness?

Inquiries of the Ministry

PRODUCTION AND RECEIPTS POLICY—FURTHER DISCUSSION WITH FARM ORGANIZATIONS FOLLOWING FAILURE TO ACHIEVE INTERNATIONAL WHEAT PRICE AGREEMENT

Mr. John Burton (Regina East): I should like to ask the minister in charge of the Canadian Wheat Board if he can indicate, in view of the statement he made to the House today, when he will again be discussing his grain policy proposals with farm organizations, and in particular whether the meetings with the Canadian Federation of Agriculture and National Farmers Union this weekend are designed to discuss further these proposals? Also, is the government now considering a policy which will take account of the developments in Geneva and the effect which these developments will have on wheat producers?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Of course the question of the effect of international events on our domestic policies is always in our minds. The farm organizations will be meeting with the members of the cabinet during the course of this coming weekend. It will be the usual kind of meeting at their request to discuss subjects of their choice. We have received from them briefs which presumably will be discussed, and certainly the issues raised by the grain proposals and other matters are contained in their briefs and I am sure will be the subject of discussion.

Mr. Burton: I would like to ask the minister if he can indicate when there will be another round of negotiations at Geneva regarding price matters, and could he also indicate what price proposals were made by Canada to the conference which has just been concluded?

Mr. Lang: As I indicated in the statement, discussions are going on in connection with what might be called an interim agreement without price provisions, and the council and the parties will hold a watching brief for the right time for these discussions. I am not sure it would be useful to try to recount on a blow by blow basis the position taken by different parties in the course of the discussions in Geneva.

LIFT PROGRAM—EXTENSION OF DEADLINE DATE FOR PAYMENTS FOR HAIL DAMAGE

Mr. Cliff Downey (Battle River): My question is for the minister in charge of the Wheat Board. It concerns the administration of the Lift program. In view of the fact that payments under the Lift program fall far short of the $140 million allotted to the program, would the minister say whether he is now prepared to adjust the deadline date of July 15, 1970 in respect of payments for hail damage so that farmers who suffered hail damage after that date may now qualify for payment under the program?

Hon. Otto E. Lang (Minister of Manpower and Immigration): There is no intention to alter the date on which the land must be in a particular condition to comply with the Lift provisions. Of course, the amount of money available for Lift always depended on the extent to which farmers participated in the program, and partici-

pation has been rewarded at the rate of $6 per acre and it will be rewarded at the rate of $10 per acre for forage, using the amount of money for which farmers have applied. The other figure to which the hon. member referred was always hypothetical. It was based on the total possible participation by farmers.

PRODUCTION AND RECEIPTS POLICY—EARLY INTRODUCTION OF LEGISLATION

Mr. A. B. Douglas (Assiniboia): My question is directed to the minister in charge of the Wheat Board. In view of the failure to achieve a pricing arrangement at the wheat conference in Geneva and the fact that this makes an effective grain income stabilization plan even more desirable and urgent, can the minister state, as a result of his consultations with the Prairie Ministers of Agriculture earlier this week, that improvements have been made in the proposal tabled last October 29 and that legislation will soon be presented to Parliament which will permit the implementation of such an improved plan?

Mr. Baldwin: Answer yes or no.

Hon. Otto E. Lang (Minister responsible for the Canadian Wheat Board): There were fruitful discussions between myself and the Ministers of Agriculture from the Prairie provinces concerning the proposals as part of the process of coming to final conclusions. I look forward to the possibility of coming before the House with the necessary legislation and with policy decisions for implementation at a very early date.

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AGRICULTURE

SUGGESTED MORATORIUM ON REPAYMENT OF LOANS TO WESTERN FARMERS

Mr. R. R. Southam (Qu'appelle-Moose Mountain): I have a question for the Minister of Agriculture. In view of the economic plight of a great many western farmers because of low grain sales over the past few years, would the minister give serious consideration to declaring a one-year moratorium on the repayment of farm improvement loans, Farm Credit Corporation loans and farm machinery syndicate loans in order to assist the western economy to make a reasonable comeback?

Hon. H. A. Olson (Minister of Agriculture): I have indicated on a number of occasions that Farm Credit Corporation loan payments can be deferred by any farmer who can show that it is a very serious hardship for him to make these payments. It is not prudent to establish a general moratorium because there are some farm producers who are producing other products and whose receipts have not declined.

PROGRAMS TO ASSIST FARMERS BECAUSE OF RATIONALIZATION OF INDUSTRY

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct a supplementary question to the Minister of Agriculture. Since a modified form of early retirement is being proposed for those workers in the textile industry who have lost their jobs as a result of the rationalization of that industry can the minister advise the House whether similar programs are being considered for those members of the agricultural industry who are also being victimized as a result of the rationalization process which is taking place within that industry?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, without accepting the preamble to the question, I can say that eight or ten months ago we announced we were working on a program to deal with the small farmers' problems.

Mr. Mazankowski: Mr. Speaker—

Mr. Speaker: Again, I point out that there are a number of hon. members who wish to ask supplementaries and I suggest that perhaps we should move to another subject. However, the Chair will recognize the hon. member for Vegreville at the moment and then go to another subject.

Mr. Mazankowski: In light of the evasive and flippant answer to the minister, can he tell the House—

Mr. Speaker: Order, please. The hon. member should ask a supplementary.

Mr. Mazankowski: I wonder if the minister could indicate to the House when he will have the fortitude to stand up and defend the agricultural—

Mr. Speaker: Order. The hon. member for Regina-Lake Centre.

* * *

GRAIN

INTERNATIONAL WHEAT CONFERENCE—CANADIAN POSITION ON FOOD AID PROGRAM

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I wish to direct a question to the minister in charge of the Canadian Wheat Board. In view of reports that the United States was prepared to arrive at a pegged price for wheat, provided there was agreement amongst all participating countries to continue the food aid program, in which all exporting countries would participate, would the minister advise if Canada was the fly in the ointment on this issue, or did Canada support such a program?

Hon. Otto E. Lang (Minister responsible for the Canadian Wheat Board): Without accepting the preamble, Mr. Speaker, I would like to emphasize to the House that Canada at all times has supported the inclusion of a food aid program in any new agreement. We still look forward to that being included in the agreement to be arrived at soon.

INDUSTRY

ROLLS-ROYCE FINANCIAL DIFFICULTIES—CANADIAN CONTRACTS AND EMPLOYMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. Is he now able to give the information I requested the other day as to the total amount of contracts held by Canadian firms under the Rolls-Royce jet engine arrangements, the total amount of employment that will be lost if these contracts should fall through, and whether the government of Canada has any measures in mind to meet this situation?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Yes, Mr. Speaker, I have some figures here. Only one company, Orenda Engines Ltd., holds contracts directly related to the Rolls-Royce RB-211 engine project. Orenda has three contracts for the production of gas turbine components for a value of $5.65 million, and I understand this occupies about 60 people.

The real significance to Canadian industry in the Rolls-Royce situation has to be measured in terms of the Lockheed project, that is, the L-1011 trijet aircraft. Six main Canadian companies have been engaged in subcontract work for this project and the whole thing, at its present value, is worth about $60 million. The Canadian companies participating in the program produce auxiliary power units, structural components, simulators and other equipment. At this time these subcontracts could provide jobs for about 675 people.

The government is following carefully the developments in this matter and is maintaining close liaison with the companies involved. Although the L-1011 program is threatened, there is no evidence at this point that it has been cancelled. The future of the program must await the decisions of Lockheed, Rolls-Royce and their governments.

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CAPE BRETON DEVELOPMENT CORPORATION

PLANS FOR PROVISION OF EMPLOYMENT

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I wish to direct a question to the Minister of Regional Economic Expansion. In view of the severe unemployment problem which is reaching crisis proportions in Cape Breton, is the minister in a position to reply to a question I posed the other day to the Prime Minister in the absence of the minister? It is further to the continuous representations I have been making for some months on this same subject. Will the minister make a statement now indicating the short and long-term plans and programs that the Cape Breton Development Corporation has for the future of the island, with particular reference to employment and industrial activity? In other words, can the minister indicate what is the blueprint for the future of Cape Breton so far as Devco is concerned?

Inquiries of the Ministry

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I have learned that Devco is in the process of preparing short as well as long-term programs for the industrial development of Cape Breton Island. As soon as I have received them, I shall make a statement to the House.

[*English*]

Mr. Muir: Mr. Speaker, is it correct that at the moment a multimillion dollar program has been placed before the government of Canada by officials of the Cape Breton Development Corporation, and could he indicate when he would be in a position to elaborate further to the House and give encouragement to the people of Cape Breton, although I realize this will not put bread on their tables immediately?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I know that work is being done on specific projects, but until now nothing has been left on my desk.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

FEDERAL INTERVENTION IN ACTION BROUGHT BY TEACHERS RESPECTING BRITISH COLUMBIA ORDER IN COUNCIL

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Minister of Justice. Does the federal government plan to intervene in support of the action brought by five teachers against the British Columbia government's order in council issued on October 22, 1970?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, that matter is before the courts on a provincial order in council. We do not plan to intervene.

Mrs. MacInnis: Will the federal government challenge the constitutionality of the order in council?

* * *

REGIONAL ECONOMIC EXPANSION

ACCELERATION OF PROGRAMS IN REGIONALLY DISADVANTAGED AREAS TO PROVIDE EMPLOYMENT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the Minister of Regional Economic Expansion. It is based on the special statutory responsibilities he has with regard to creating jobs. What steps is the minister prepared to take to accelerate the programs under his department in the regionally disadvantaged areas, especially the Atlantic provinces, where unemployment is so high and where the programs seem to be lagging because of bureaucratic red tape?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I think that a study of the figures which were made public today will indicate to the hon. member that the rate of unemployment in the Maritimes has decreased more than anywhere else in Canada, by 1.4 per cent, which has been unheard of since the beginning of Confederation. So there has certainly been an effect.

Some hon. Members: Hear, hear!

[*English*]

Mr. McGrath: As a supplementary question, would the minister answer my original question?

Mr. Trudeau: He did.

Mr. McGrath: Precisely what steps is he taking to accelerate the programs under his department in the Atlantic provinces to create jobs in this period of record high unemployment?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, the department as a whole which has been established and the development rate tend precisely to create jobs in the Maritimes and in slowly developing areas. The departmental goal is—

Mr. Speaker: Order.

[*Later:*]

[*English*]

ACTION BY MINISTER TO BROADEN MANPOWER RETRAINING PROGRAM REGULATIONS

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a question to the Minister of Regional Economic Expansion. In view of the fact that more than 10 per cent of the labour force in the Atlantic region is now unemployed and that many of these people have exhausted the training period for which they are eligible under the present regulations of the manpower retraining program, has the minister been in consultation with the Minister of Manpower and Immigration as well as with provincial ministers with a view to adjusting this program to take care of the very large number of hard-core unemployed who badly require this kind of retraining during this difficult period of unemployment?

[*Later:*]

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the officials of my department are in constant communication with those of the provincial governments and the Department of Manpower, to ensure that there is the largest possible number of jobs available and that the largest possible number of people are trained for new occupations.

[*English*]

Mr. McGrath: You are supposed to create jobs.

Mr. Marchand (Langelier): Yes, and I do.

[Mr. McGrath.]

Mr. Speaker: Order, please. We are running short of time.

Mr. MacDonald (Egmont): I rise on a question of privilege. I think the question I put to the minister, as well as the previous question put by the hon. member for St. John's East, were very clear, but we are receiving absolutely no answers, just puffery, from the minister. Why won't he answer?

An hon. Member: Our people want more jobs.

Mr. Speaker: Order, please.

Some hon. Members: Resign!

* * *

CANADIAN BROADCASTING CORPORATION

DISPUTE WITH UNION OVER WAGES AND JOB SECURITY—INTERVENTION OF TOP MANAGEMENT REPRESENTATIVES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Secretary of State. In view of the impasse in negotiations between the CBC and a substantial percentage of its employees, which could have a serious effect on radio and television, would the minister discuss with CBC management the possibility and advisability of top management representatives of the CBC, able to make decisions, being asked to sit in on the negotiations with the union so that a settlement can be effected?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am in contact with the authorities of the CBC and we exchange information on all aspects of this issue.

* * *

[*English*]

INQUIRY OF THE MINISTRY

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is for the Minister of Finance. It is of concern to all of us. In light of the fact that unemployment among young people in Hull is at nearly 50 per cent, and in light of the fact that we do not have a strong man in the cabinet now from the capital region—

Mr. Speaker: Order, please. The hon. member for Sainte-Marie.

* * *

[*Translation*]

THE CANADIAN ECONOMY

UNEMPLOYMENT—SUGGESTED GRANTS TO PROVINCES RATHER THAN LOANS

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a question I wish to direct to the Minister of Finance.

Whereas the sums of money handed out to the provincial authorities in the form of economic incentives and loans represent double taxation for the provinces, would the minister tell the House whether it is prepared to reconsider this matter and to hand out grants rather than loans to the provinces as economic incentives?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, my hon. friend's allegation is sheer nonsense.

[*Translation*]

Mr. Valade: Mr. Speaker, I have a supplementary question for the Minister of Finance.

Considering the minister's reply, does he really feel that the objection raised by the premier of Quebec, Mr. Bourassa, is also pure nonsense?

* * *

[*English*]

AGRICULTURE

NATURE OF TENDER CALL FOR BROILER CHICKENS TO EXPORT TO FAR EAST

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, there was no reply to the question I asked yesterday, which is reported at page 3245 of *Hansard*. I wonder if the Minister of Agriculture or the Minister of Industry, Trade and Commerce could look at that question and reply to it before the end of the present question period.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am pleased to advise the hon. member, with regard to the question that he raised yesterday in connection with tenders called for the purchase of three million pounds of broilers for export to the Far East, that this was an open tender. The relevant section of the tender reads as follows:

> Tenders will be accepted from persons normally engaged in the processing, wholesaling, brokerage or exporting of poultry products.

In fact, invitations to tender were requested by and sent to 35 firms across Canada. I have the figures for each region if the hon. member wishes them. I can assure the hon. member that firms in all regions of Canada were invited to tender.

Mr. Nowlan: Mr. Speaker—

Mr. Speaker: Order, please. May I bring to the attention of the hon. member for Fraser Valley West, who wishes to ask a supplementary, that we are running short of time. Perhaps, to clear the matter up, the hon. member might be allowed another question, after which I shall recognize the hon. member for Annapolis Valley.

Mr. Rose: Thank you, Mr. Speaker. My supplementary question is for the Minister of Agriculture. I understand that arrangements have been completed for another shipment of four million pounds of broilers. Can the minister tell the House whether or not this four million pound order has involved any government assistance?

Inquiries of the Ministry

Mr. Olson: Mr. Speaker, no orders or tenders have been finalized with any assistance from the government because the tenders will not close until tomorrow.

* * *

INFORMATION CANADA

RESEARCH PROJECT ON RELATIONS WITH PROVINCES

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister without Portfolio in charge of Information Canada. In view of the special commission arranged by the Director General of Information Canada to conduct research on the past and future relations of the federal government with the various departments of the province of Quebec, can the minister tell the House if such a research program is also to be conducted with the other provinces of Canada or is the minister satisfied that those relations have been in good order all the time?

Hon. Robert Stanbury (Minister without Portfolio): Yes, and no, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Stanbury: The answer is yes to the first question and no to the second. We are conducting very favourable discussions with various provinces on interrelationships between information programs. I think each province is evincing a great deal of interest. We have noticed a particularly strong interest among candidates for the leadership of the Conservative party in Ontario in establishing an agency similar to Information Canada.

Mr. Nowlan: Mr. Speaker, I am referring to the directive of the Director General of February 2. May I ask the minister whether a specific research program has been instituted and whether a commissioner has been appointed by the Director General to investigate relations between the federal government and the other nine provinces of Canada, since the minister is a member of the cabinet of a government that does not believe in special status for anybody?

Mr. Stanbury: No, Mr. Speaker, but I think the hon. member would agree that there is a particular need to ensure that our fellow Canadians in Quebec understand their relationship with the federal government. I hope the hon. member will appreciate this and agree that it is extremely important to the future of Canada.

Mr. Speaker: Order, please.

* * *

[*Translation*]

AGRICULTURE

FARM PRODUCTS MARKETING BILL—APPLICATION TO GROUPS OF PRODUCERS

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a question to the Minister of Agriculture.

Inquiries of the Ministry

In view of the numerous objections raised and the very serious reservations made in respect of Bill C-176, could the minister tell us if he is prepared to make a statement to the effect that a group of producers will not be affected by this legislation unless the majority of its members agree to it?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the indications coming to me and to the provincial governments show that there is far more support for than objection to Bill C-176.

* * *

INQUIRY OF THE MINISTRY

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the minister who reports for the Dominion Bureau of Statistics and arises from the increase in the numbers of the unemployed but the drop in the percentage rate. How many more hundreds of thousands of Canadians will have to be thrown out of work before the percentage rate drops to 3 per cent?

Mr. Speaker: Order, please. The hon. member for Surrey.

* * *

EXTERNAL AFFAIRS

PROPOSED AMCHITKA UNDERGROUND NUCLEAR TESTS—REPRESENTATIONS TO UNITED STATES GOVERNMENT

Mr. Barry Mather (Surrey): Mr. Speaker, I wish to bring a question to the attention of the Secretary of State for External Affairs. In view of the very welcome news today of the signing by the United States, the United Kingdom and the Soviet Union of an agreement to ban nuclear weapons from ocean floors and seabeds, would Canada give consideration to urging the United States to refrain from tests or at least postpone the scheduled massive nuclear tests to take place in the Aleutians area?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I am sure that all hon. members would like to join the comments which have been made about the signing of the agreement banning nuclear weapons from the ocean floor.

Some hon. Members: Hear, hear!

Mr. Sharp: As hon. members know, we were one of the first countries to sign this agreement yesterday. I do not think, however, it is directly relevant to the forthcoming tests on Amchitka. But I want to say that I hope the United States is reconsidering these tests, not only in light of that particular treaty but also in light of the earthquake in Los Angeles. Because this is a problem that has been of great concern to people all along the Pacific Coast.

[Mr. La Salle.]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, has the Secretary of State for External Affairs made direct representations to Washington urging that the proposed tests at Amchitka be not proceeded with?

Mr. Sharp: Mr. Speaker, we have been studying the scientific data that was supplied to us as a result of the previous tests. This data will be examined again in light of recent experience which adds support to the view that tests could result in earthquakes in that part of the world.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, may I ask the minister what scientific facts led him to put out that scare statement that atomic explosions have something to do with earthquakes?

Mr. Sharp: Mr. Speaker, perhaps if the hon. gentleman knew something about the Pacific Coast he would know that there is a fault which leads sometimes to earthquakes, and that an atomic blast could result in triggering an earthquake. I hope he will extend his education and inquire about another part of Canada.

Some hon. Members: Oh, oh!

Mr. MacInnis: Mr. Speaker—

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

Mr. MacInnis: On a point of order, Mr. Speaker, I do not think it is proper that a minister of the government should rise and make a statement—

Some hon. Members: Oh, oh!

An hon. Member: Sit down.

Mr. Trudeau: The hon. member should go back to his "fault".

Mr. Speaker: Order, please. The hon. member has risen on a point of order. He should be given an opportunity to explain what the point of order is.

• (3:20 p.m.)

Mr. MacInnis: Mr. Speaker, the statement by the Secretary of State for External Affairs can cause a great deal of concern throughout the United States and other countries where earthquakes are possibilities. I do not think he has the scientific knowledge to back up that statement, and furthermore—

Mr. Speaker: Order, please. I wonder whether the hon. member might indicate what the point of order is so that we can proceed as quickly as possible.

Mr. MacInnis: I suggest we had better get out of the House because, if faults cause earthquakes, there is a big fault over there.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baldwin: Mr. Speaker, could I ask the Government House Leader about the business for the rest of this week and next week?

Mr. MacEachen: Mr. Speaker, tomorrow we will call the government organization bill and following that the Canada Development Corporation, Yukon minerals, young offenders and the clean air bills. In any event, regardless of the progress made on these bills, we will regard Monday next as an opposition day.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, this announcement varies a bit from what we had understood the program to be for tomorrow. In light of what has been said, may I ask a question? If we get to second reading of the Canada Development Corporation Bill, will the Minister of Finance, in whose name the bill appears, be here to introduce the bill?

Mr. MacEachen: Mr. Speaker, if I thought we would get to the Canada Development Corporation Bill, I would produce the minister tomorrow afternoon. In my view, it is unlikely that we will complete the government organization bill tomorrow. For that reason, I am not asking the minister to stay for tomorrow afternoon.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed, from Wednesday, February 10, consideration of the motion of Mr. Benson, that this House approves in general the budgetary policy of the government.

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, when the House rose last night, I was explaining some of the reasons it is important that the agricultural industry should be given a higher priority, not only by governments, but especially by consumers and all Canadians. As recorded at page 3267 of *Hansard*, I had drawn to the attention of the House the high need for capital for involvement in agricultural production and, in particular, that, on the average, a $41,000 investment is necessary to create a job in the agricultural industry in Canada.

Agricultural output in Canada has been increased, using an even smaller labour force. As I pointed out last evening, the proportion of the labour force in agriculture has decreased in 20 years from 22 per cent to approximately 7 per cent. When this percentage is added to the 5 per cent of the labour force that is involved in agribusiness or food processing, we have a total of 12 per cent of the total labour force of Canada directly involved

in this industry. In spite of the fact that the proportion of the population processing a producing food in Canada has continually decreased, production of food or agricultural products has increased. Productivity for all commercial industries in Canada has increased at an average rate of 3.5 per cent per year since 1946. On the basis of a classification into seven broad industry groupings, the growth rate for agricultural productivity has been the highest at 5.5 per cent per year.

Consumers expenditures on food as a proportion of their total outlay is continually declining. In 1967, it was estimated to be 20 per cent compared to over 25 per cent immediately after World War II. The declining proportion which consumers spend on food means that a greater proportion of their total income is available for other consumer goods or for saving. In this sense, I do not think it is a distortion of the facts to conclude that the agricultural industry in general, and the primary producers in particular, are continuing to make a larger and larger contribution to the welfare of the nation by supporting a cheap food policy through the sweat of their brows. Our problems would be fairly simple if we were alone. Unfortunately, a number of other countries have improved their agricultural productivity in the same way at the same time that we have improved ours. As hon. members recognize, if our agricultural products are to compete in the international market as well as in Canada, we must realize that agriculture is a basic industry in the sense that we have to sell outside our borders. If we are going to compete in the international market we must be concerned about how other countries are faring, rather than simply the portion of the Canadian consumers budget allotted to food.

When we look at Canadian agriculture in the context of the world economy, we cannot help but be impressed with the fact that Canada has a vast production capability and a small domestic market. Therefore, if we are to compete successfully with farmers in the United States, and farm producers in other parts of the world, agriculture in Canada must be as efficient and competitive as possible. One thing that firmly assists agriculture in many other nations to be competitive is the significant assistance that the industry receives from governments. The amount of support the Canadian government gives agriculture is about the lowest in the western world. OECD studies indicate that federal expenditures in agriculture in Canada average approximately $286 per active person in farming compared with the somewhat staggering sum of $1,287 for each United States farmer. If we think of that one factor, we will recognize there is a great disparity. There are different points of view with regard to agriculture. I want to summarize three differing points of view from three different segments of our culture.

There are two main problems in Canadian agriculture from the point of view of the farmers. The first is low farm income. The second is uncertainty as to the future. There are, of course, other problems such as instability of prices and incomes, the rising cost of credit, inability to market certain products and so on. The main problems of Canadian agriculture, as seen by agribusiness men, turn

around the subject of markets. Good farm incomes mean better markets for machinery, fertilizer and other inputs. When there are good markets for farm producers, there is more business for milk processors, meat packers, elevator operators, and retailers. The welfare of agribusiness is inextricably tied with that of the farmers.

• (3:30 p.m.)

The difficulties in which agriculture finds itself, as seen from the point of view of governments, tend to arise largely as a result of low basic incomes. It would seem to me that from the viewpoint of the government the cost to the treasury of price supports and similar programs becomes part of the "farm problem". We come to the root of the matter when we recognize that among ministers of the cabinet conflicting responsibilities arise in their different areas of authority. Cabinets in countries such as ours tend to divide on the question of food prices. Ministers with special responsibility for agriculture and related fields want higher prices so as to raise farm incomes, while consumer-oriented ministers want prices to be as low as possible so as to counteract the tendency to inflation. Governments also find that unsatisfactory social conditions arising out of low farm incomes necessitate manpower, urban housing and adjustment programs since they contribute to urban pressure and increase the influx to already crowded cities of young people who, if the situation were more favourable, would remain in the agriculture industry. Governments have also tended to regard agriculture as a special subject. Its earnings abroad could be an important source of vital foreign exchange, though exports from year to year were subject to violent fluctuation.

The main difficulties of agriculture, as seen by the agricultural task force, also revolve around the fact of low farm incomes, though one should bear in mind that this is the symptom of a basic inequality in the allocation of resources as between agriculture and the other sectors, in labour mobility, in education, in alternate employment, in the international competitiveness of Canadian products and, finally, in the adequacy of government agricultural programs.

Mr. MacInnis: A point of order, Mr. Speaker. I do not expect my point of order will get anywhere but I would draw attention to the fact that the hon. member is reading every word of a prepared speech.

Mr. Speaker: The hon. member has called the attention of the Chair to the fact that the hon. member who had the floor is referring to notes. He knows that a number of hon. members making formal presentations to the House do refer to notes. There was, at one time, an established rule, I believe, that members ought not to read their speeches but it seems that increasingly in recent years we have reached a position where hon. members, or a number of them, feel they have a better chance of making a complete presentation to the House if they refer to copious notes. This practice is followed by a number of hon. members on both sides of the House.

The hon. member for Cape Breton-East Richmond has raised a valid point of order. The hon. member who has the floor has noted it, and the Chair has noted it also.

Mr. MacInnis: I acknowledge Your Honour's statement about the reading of speeches. I do not always call attention to the fact that hon. members are reading their speeches. In this case, it is my way of criticizing the critic.

Mr. Speaker: Order. I do not think there is any point in pursuing the matter, but it seems to me that in fairness, if one hon. member is referring to notes and another hon. member calls attention to that, it should be done in the case of all hon. members, and to the personal knowledge of the Chair speeches have been made from notes on numerous occasions during this particular debate. However, I will not take upon myself the initiative of calling the hon. member to order. While it is in order to use notes, I suggest it is better, though, that presentations be made to the House by way of unwritten speeches.

Mr. McBride: Thank you, Mr. Speaker, I would only say that the phrase is "refer to notes" in a general way. On the other hand, I might add that most of us who sit in the House believe many speeches are improved if they demonstrate a little research and people have brought some notes with them. Another thing that bothers me is the limited time available to us. If a speaker does not bring in any notes, and does not deal with his subject in an orderly way, he can easily find himself cut off before he has really put over what he wanted to say.

Mr. MacInnis: I rise on a point of order, Mr. Speaker, in connection with the lecture the hon. member is now trying to give the House. If he paid a little more attention to his own constituency and a little less to the heavy water industry he would perhaps know what is going on.

Mr. Speaker: That is not a point of order. I now have to call the hon. member for Cape Breton-East Richmond to order. The hon. member for Lanark-Renfrew-Carleton has the floor.

Mr. McBride: The point I was coming to before I was interrupted is that farm people all over the world tend to be among the lowest paid segments of society.

Mr. MacInnis: You are still reading.

Mr. McBride: The result is, of course, that the power for action, the political power, the power as consumers, available to the farm segments is lower than that of other segments. This is particularly true in Canada where the farm community has been so largely made up of people imbued with what I might call the pioneer spirit, the type of person who prefers to go it alone. The result is that the farm population in Canada has never formed itself into a cohesive unit which could make its wishes well felt in government and administrative circles. This is probably linked with the fact that the farm community is made up of thousands of individuals whose products are sold to a relatively few purchasers. In consequence,

the traditional family farm, which has for so long been the backbone of farming in Canada, finds itself in a period of adversity; the need for increased capital, larger structures and bigger enterprises has made it impossible for many individuals who would otherwise be growing food to continue to do so.

I recognize, in spite of the intervention of the hon. member opposite, that there are many others who wish to speak this afternoon so I shall conclude as rapidly as possible. It would seem to me that effort is needed at governmental level to eliminate surpluses or at least to keep them within manageable proportions in order that farmers may not be caught up in the vicious cycle of over-production. As a result of over-production prices fall, and many producers decide not to enter that field. Then, prices rise and production begins again with a rush, as a result of which farmers are caught in what I would call the swinging back and forth of the economic pendulum within the agriculture industry. I am pleased to see some form of stabilization program being established, especially in the grain-oriented economy of the west. It will soon be brought to fruition and implemented by the minister responsible for the Wheat Board and by the Minister of Agriculture (Mr. Olson). Indeed, I should like to see programs of this type extended throughout the industry.

Finally, it seems to me that the whole agriculture industry must think in terms of food, not simply in terms of products. The day may have come when we should be thinking in terms of integrating forward, that is to say, producers integrating into the processing field and then into the consumer marketing field so that the producers are in control of an integrated production line, instead of integrating backward as we have seen happen with processors taking over production, as a result of which pressures have been created adverse to the success of the family farm.

I would commend to hon. members a study known as the Special Study of Agricultural Science in Canada, 1970. One of the sections in this study bears repeating, and it is as follows:

• (3:40 p.m.)

Agriculture has been, and continues to be, the most important primary industry in Canada, contributing major economic and social benefits to Canadian society as a whole. Research and development constitutes the key to its continued progress. However, the organization for research, the philosophy of research, and research itself, must reflect the needs of the agricultural community, and utilize all the relevant disciplines in new forms of integration, if agriculture is to meet fully the problems and opportunities of the immediate future.

Several of the recommendations I should just like to tick off. They include, the establishment of an agricultural centre for bio-economics research and development, a population ecology research centre; a research centre for rural adjustment, an Atlantic resource management centre and a centre for research on cold and drought resistance in plants. This study is well worth the attention of any member who is interested in the agricultural industry, as are the recommendations included in the agricultural task force report.

My main purpose in rising to speak in this debate is to remind the government and all Canadians that, as an industry, agriculture makes a very large contribution to our nation; and that it is to the benefit of all Canadians to have a strong agricultural industry.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, this is indeed a sad day for Canada. Today we have been informed by the Dominion Bureau of Statistics that 668,000 people were unemployed in the month of January. If one adds to this total the 100,000 people attending manpower training courses, and groups such as Indians and Métis in western Canada who have never been included in labour force statistics, we realize that more than three-quarters of a million people are unemployed today.

The 668,000 people unemployed in January 1971 represent an increase of 130,000 over the month of December 1970, or an increase of 183,000 over January of 1970. If we look at the regional figures, we do indeed see a grim situation, one that should bring a feeling of foreboding to all hon. members, particularly cabinet ministers from the province of Quebec. The figures for Quebec show there has been an increase from January 1970, when 178,000 people in that province were unemployed, to 234,000 in January 1971.

The last four or five months have been amazing months for the province of Quebec. The kidnappings of Mr. Cross and Mr. Laporte, and the latter's subsequent murder, created a quite understandable feeling of fear, indeed—I say this not in a critical way—a feeling of hysteria in that province. Deliberate attempts were made by some members on the government side, particularly the Minister of Regional Economic Expansion (Mr. Marchand), to try to convince the people of Quebec that all separatists are terrorists.

I have no use for, and reject completely, the proposals made by the Parti Québecois for the separation of the province of Quebec from the rest of Canada. But surely the by-election held last week in the provincial constituency of Chambly ought to alarm the government of Canada, and particularly its cabinet ministers from Quebec. Despite the pressure put on the people of Quebec and the attempts to convince them that separatism is not only wrong but in fact subversive, the Parti Québecois held the votes that it received in the general election in Quebec and increased its share by a percentage point or two. Almost one-third of the voters in that constituency voted for the Parti Québecois, and to a large extent I think this can be attributed to the despair and feeling of hopelessness of the ordinary people in the province of Quebec.

In Ontario, our wealthiest province, unemployment increased from 124,000 persons in January 1970 to 201,000 in January 1971. Unemployment among young people between the ages of 14 and 24 increased from 199,000 in January 1970 to 277,000 in January 1971, an increase of over 35 per cent. The actual rate of unemployment as calculated by DBS rose from 6.1 per cent in January 1970 to 8 per cent in January 1971.

The Minister of Finance (Mr. Benson) has expressed happiness at the fact that the seasonally adjusted rate

has dropped to 6.2 per cent. I do not want to embark upon a discussion as to whether changes in the method of calculation have had any effect in the drop, but let us assume that 6.2 per cent is the actual seasonally adjusted rate. Only a government headed by a group of millionaires, with a Prime Minister who has a computer where his heart should be could be happy about an unemployment rate of 6.2 per cent seasonally adjusted and ignore the real plight of three-quarters of a million or more unemployed.

The government has set up a straw man for the people of Canada. Having got this country into a situation which no other industrialized country in the world is facing with an unemployment rate of 8 per cent, it then tells the people of Canada that things are going to be better, and that since things are going to be better in the coming year it ought to ignore the mess that Canada is in at the present time.

If one looks at the seasonally adjusted figure, one soon observes that in the past four months the actual reduction in the percentage of unemployed has been only 0.4 per cent. If one keeps in mind that the number attending manpower training courses is higher than it had been, and that in the past 12 months the strike at General Motors had a very serious, though temporary, effect upon the whole economy of Canada, then one realizes that in fact there has been very little improvement in the rate of unemployment.

For the past two years the Minister of Finance has been insisting that the major problem facing this country was inflation, not unemployment. As a consequence, the government has adopted a deliberate policy of slowing down, of deflating, the economy. The Prime Minister (Mr. Trudeau) said a year ago that he was not going to be deflected from his anti-inflationary policies even if we had to face a figure of 6 per cent unemployment. Newspapers sympathetic to this government, such as the Toronto *Star*, felt it incumbent upon them to criticize the Prime Minister for that callous statement, as they should and as the Prime Minister deserved. In fact the actual unemployment rate is not the 6 per cent the Prime Minister spoke about, but is 8 per cent.

• (3:50 p.m.)

If we take into account the trends as they develop in the course of every winter, next month when the figures for February come out we will have not 668,000 people unemployed but rather somewhere around 725,000. The Prime Minister and the Minister of Finance (Mr. Benson) are proud of the fact that last year's price increases in Canada were among the lowest in the world. They speak about this constantly. However, they do not tell us, and they do not tell the Canadian people, that the inevitable result of the policies they followed in creating this situation has been that Canada has the highest rate of unemployment of any industrialized country in the world. According to the newspapers, Great Britain is facing the heaviest unemployment it has faced since before world war II. What is that rate of unemployment in Great Britain? It is 3 per cent compared to our 8 per cent.

[Mr. Orlikow.]

It is interesting to compare the rates of unemployment in countries in western Europe for the year 1969 with the rate in Canada. In Germany, the rate of unemployment was half of one per cent. In Sweden, it was 1.9 per cent. In the United Kingdom, it was 2.2 per cent. In Italy, the rate was 3.1 per cent; in Belgium, it was 3.3 per cent; in the United States, it was 4.1 per cent, and in Canada, it was 4.4 per cent. Since that recent fairly pleasant period of 1969, compared with other countries Canada's rate of unemployment has increased substantially. Had the government pursued its policies of combatting inflation more vigorously, then instead of having the three-quarters of a million unemployed people we now have we probably would have one and a quarter million unemployed. In addition, instead of having the cost of living increase by 1½ per cent in the past year we would have had an actual reduction. That, of course, is a stupid suggestion but it is no more stupid than the policies followed by the government for the past two years.

We are told by the Minister of Finance and the Prime Minister that the prospects for 1971 are much better and that unemployment, like the snow outside this building, will disappear in the next couple of months as the warm weather comes. Well, these statements by the Minister of Finance and the Prime Minister are just as incorrect as the statements they have made over the past two years based on the advice they have received from their economic advisers such as the Governor of the Bank of Canada, the Deputy Minister of Finance and the chairman of the Prices and Incomes Commission. These advisers have consistently underestimated the unemployment figures and today are overestimating the prospects for reducing the unemployment. According to academic economists in Montreal and in Toronto, who have been much closer to the actual results in their estimates during the past couple of years concerning unemployment, the seasonally adjusted rate of unemployment for 1971 will continue at 6 per cent for the whole of this year.

This means that for January and February of 1972, the unemployment figure which is now running between 650,000 and 725,000 will shrink somewhat, but probably only to something in the neighbourhood of between 525,000 and 550,000 people. That figure is completely unacceptable as an unemployment figure in a country as rich in resources and manpower as is Canada. Only people who live in ivory towers, such as the Prime Minister, the Minister of Finance and their economic advisers, can take comfort from the statistics we have received from the Dominion Bureau of Statistics and the estimates with regard to unemployment for the next 12 or 15 months. Mr. Speaker, they have forgotten, if they ever knew, what it means to be unemployed. They have forgotten, if they ever knew, what it means for a worker, whether a machinist, an electrician, a carpenter or a labourer, who is accustomed to living relatively comfortably on a weekly wage of $100 or more, to have to manage for months or years on unemployment insurance or on welfare.

Perhaps I might refer again to the figures given to us today by the Dominion Bureau of Statistics. We see that

the number of people who have been unemployed for six months or more has risen from 54,000 in January of 1970 to 108,000, more than double, in January of 1971. For these people the economic policies of the government of Canada have turned into a major disaster. I give the Leader of the Opposition (Mr. Stanfield) credit for the tour he made last month in which he visited the unemployed. Apparently, the Minister of Finance cannot take the time to do the same thing. If he is not sufficiently impressed by the gravity of the situation, by the fact that his own son was unemployed within the past year, I would suggest to the minister that he at least read the newspapers of any city in Canada. If he did so, he would understand how hard ordinary, honest and willing-to-work Canadians are trying to obtain work. He would see that many people who have had jobs for five, ten or twenty years have been laid off in these recent winter months and he would appreciate the difficulty they have in meeting their mortgage payments, rent payments, the cost of food and clothing, the cost of prescription drugs and everything else they require in this year 1971.

What has been the result of the abnormally high unemployment which has been deliberately introduced by the government of Canada? If we compare Canada's gross national product at the 1970 rate of unemployment with what it would have been had we had full employment—and I am talking about full employment which the economists calculate to be represented by their conservative figure of 4 per cent unemployed—we see that we have lost between $5,000 million and $6,000 million in production. Such an increased gross national product would have brought to Canadian governments, federal, provincial and municipal, an extra $1½ billion to $2 billion in tax revenues which would have permitted these governments to finance programs which would have paid the cost of providing full employment for Canadians. People who are still working seem to feel that since they are working they need not be concerned about the problems of those who are unemployed. I am glad to see the Minister of Regional Economic Expansion (Mr. Marchand) has entered the chamber. Once upon a time, before he became a minister, he had some understanding and some feeling for the needs of the ordinary citizen and the unemployed people. He seems to have lost that feeling, but it is good to see him here.

• (4:00 p.m.)

What people who are working fail to realize is that the increase in unemployment which we face in Canada has led to sharp increases in welfare costs at all three levels of government, costs which these governments can only meet by increasing the taxes which they collect from the ordinary taxpayer. Payments made by the federal government to the provinces under the provisions of the Canada assistance plan in 1969 totalled $420 million. In 1970 these payments rose to over $500 million, and I have been told by sources which I know to be reliable that the federal government estimates for their payments under the provisions of the Canada assistance plan for the year 1971 show that the cost will increase to almost $700 million, that is an increase of 40 per cent over the payments in 1970. In Ontario, the payments will rise from $159 million to $198 million, and in Quebec they will rise from $147 million in 1970 to $238 million in 1972. These increases will be paid for by the Canadian people through increased taxes. There is no other way in which they can be paid.

The situation facing local taxpayers at the municipal level is even more gruesome. In metropolitan Toronto, the cost of welfare will rise from $50 million in 1970 to $75 million in 1971. In my own city of Winnipeg, costs have gone up from $3,900,000 in 1969 to $5 million in 1970, and the estimate of the officials in the welfare department of that city is that in 1971 the cost of welfare will be $6 million. In Hamilton, costs have gone up from $1.5 million in 1969 to $1.8 million in 1970, and it is estimated that they will be $2.5 million in 1971. In Windsor, in 1969 the costs were $1.6 million, and in 1970 they were $2.27 million. In prosperous Calgary, welfare costs went up from $200,000 in 1969 to $450,000 in 1970, and the estimate for 1971 is $550,000.

I have been talking about the actual costs to the cities which the local taxpayer must pay. I have not been talking about the amounts of money paid by either the federal or provincial governments concerned. So, the increased unemployment which we faced last year has been financed by those people who are still working for wages and salaries in the cities which I have mentioned. These cities are not alone in facing this problem; they are simply a small sample of what has happened in every city in Canada in the years since 1969.

What can we do about this? It seems to me that what the Parliament of Canada should do is to commit itself to a policy of full employment. This can be achieved if we really set out to attain that goal. It can be achieved if the government rejects the bad advice which it has been given from its economic advisors, from the Governor of the Bank of Canada, from the deputy minister of finance and from the chairman of the Prices and Incomes Commission, and will face up to some of the things which can be done. If the government will stop being mesmerized by the fear of inflation and by the fear of deficit financing, this goal can be achieved.

Let me briefly list a few of the things which the government can do fairly quickly in order to move toward full employment. I suggest that the government should decide immediately to increase unemployment insurance benefits. As the cost of living has gone up, it has become increasingly difficult, if not impossible, for workers laid off through no fault of their own to live and to meet their expenses at the present rates at which unemployment insurance is paid. I suggest that eligibility for unemployment insurance should be made easier immediately, and I suggest that the seasonal and supplementary benefits paid under unemployment insurance be increased immediately. On May 15, the seasonal benefits paid to thousands of workers across Canada will cease automatically, and welfare costs in cities such as Montreal, Toronto and Vancouver will immediately move up at an astronomical rate.

Second, I suggest that the federal government should immediately agree to increase the payments it makes towards the cost of welfare paid to employable unem-

ployed from the present 50 per cent, under the provisions of the Canada assistance plan, to 65 per cent. Not only would this be fair because the cities simply cannot afford the cost of welfare, but also because the unemployment we are faced with today has been brought about to a very large extent by the deliberate policy of the federal government.

Third, I propose that housing programs should be increased immediately. The minister in charge of housing made a speech which sounded very well yesterday. He called on the provinces to get going, to move into the field of housing and, particularly, into the field of public housing. My own province of Manitoba came to the federal government, to the minister and to Central Mortgage and Housing Corporation with a program for public housing which is to cost $55 million. What happened? The words of the minister yesterday were coated in honey, but what are the cold, hard facts? When the province of Manitoba asked for $55 million, they were sent home with $31 million. Theirs was the kind of request for which the minister was calling yesterday, and yet it was reduced by 40 per cent. I suggest that that is not good enough. I suggest to the minister that he should look very carefully at extending the provisions of the National Housing Act so that loans can be made available for the rehabilitation of present housing stocks. Surely, we have learned enough by now, on the basis of past experience that we do not want to simply bulldoze the existing housing stock, much of it in good shape and simply needing some rehabilitation.

Fourth, I propose that the Minister of Finance give immediate favourable consideration to removing the 3 per cent surtax on income tax. Such a move would immediately put spending power into the hands of ordinary Canadians and would permit them to buy manufactured goods, thus, increasing employment opportunities for those who are unemployed.

• (4:10 p.m.)

Fifth, I suggest that the government give serious consideration to a sharp increase in the funding of products to encourage cities to move rapidly into sewage control and pollution abatement programs. I say to the Minister of Regional Economic Expansion (Mr. Marchand), as I have said on other occasions, it is a disgrace that in the year 1971 his city of Quebec dumps almost 100 per cent of its raw sewage untreated into the St. Lawrence River; that Montreal, a city of 2½ million people, dumps over 90 per cent of its raw sewage untreated into the St. Lawrence River; and the city of Halifax dumps over 90 per cent of its raw sewage untreated into the bay on which it is built. I cannot think of anything more useful and more productive, both in terms of employment and improving the environment, than that the government should help those cities which I have mentioned, and many others—

Mr. Marchand (Langelier): Would the hon. member allow a question?

Mr. Orlikow: Certainly.

Mr. Marchand (Langelier): Does he know how many sewage processing plants are being built in Quebec?

[Mr. Orlikow.]

Mr. Orlikow: I would be very happy if the minister, later today or when we return to debate on the government organization bill setting out the powers of the minister of the environment, would tell us what is happening in Quebec City. When I say that close to 100 per cent of the sewage of Quebec City is dumped into the St. Lawrence River, I am quoting from a submission made by the Canadian Federation of Mayors and Municipalities to the federal government less than a year ago. If the situation has changed, then I extend my congratulations to the minister and to the city of Quebec. However, I am certain they have a long way to go before they put an appreciable dent in the disastrous situation which has been created in that city.

If the government would move to do these things I have mentioned, then we would begin to move towards full employment; we would begin to wipe out the large scale unemployment which the Minister of Regional Economic Expansion used to be concerned about when he was President of the CNTU, or at least which he seemed to be more concerned about than since he has become a minister. If the government would approve some of the proposals I have made, not very radical or revolutionary proposals, we would begin to move towards the just society about which the Prime Minister spoke so eloquently during the last election, and we would begin to make the just society a meaningful fact—

Mr. Deputy Speaker: Order. I regret having to interrupt the hon. member, but I must do so to notify him that his time has expired.

Mr. Orlikow: If I could have 30 seconds more, I could complete the sentence.

Mr. Deputy Speaker: Is there unanimous consent for the hon. member to continue?

Some hon. Members: Agreed.

Mr. Orlikow: As I was saying, we would move towards making the just society, about which the Prime Minister spoke so eloquently a year or two ago, a meaningful fact rather than the bitter joke which the phrase has become to so many of the unemployed.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, there are so many matters that could be discussed in the budget debate since, in Canada today, problems are legion. However, I shall follow the example that has been set in the past few days and deal with the most pertinent problem, namely, unemployment. I was going to deal with an ancillary mater, that of regional expansion and development. The Minister of Regional Economic Development (Mr. Marchand) is in the House, so perhaps I may deal with it towards the end of my remarks.

In the light of the statistics that were brought down today concerning the growing problem of unemployment, I would like to make some positive contributions to the debate. I believe the Minister of Regional Economic Expansion will be speaking in the debate this afternoon, so I shall curtail my remarks in order to give him an

opportunity to reply to some of the things that I shall say this afternoon.

There is no doubt that the question of unemployment has become critical. It is not just the transitory, seasonal unemployment that bothers Canada because of our severe winter weather. It is chronic longterm unemployment that has reached into the level of skilled and professional people. It has been a long, long time since we had young Canadians qualifying with Ph.D. degrees unable to find suitable employment. It is a long, long time since we have had people with technical skills unemployed, after a lifetime spent in the work for which they were specially trained, and it has been a long, long time since the young have been so severely affected by the chronic state of unemployment that besets the Canadian economy at present. Admittedly, there is always some unemployment and it is the chronic poor who suffer most in this regard. Now, because of the growing severity of the problem, they are feeling the pressure all the more because of the lack of policy and misdirection on the part of the federal government.

I am not going to engage in a battle of statistics because statistics are cold comfort. We do know that the situation is severe. Whether it be the number on unemployment insurance, the number who are registered for employment in the manpower centres, the number who are statistically calculated on the seasonally adjusted basis, it is a very black and serious day for a young country like Canada. I suggest that the situation has developed because of what has been designated the Benson iceberg theory by a gentleman in Manitoba, who applied this term to the minister's white paper on taxation. If one reads that book by the tax expert in Manitoba, who is also the leader of the Liberal party in Manitoba, Mr. Izzie Asper, I think one must come to the conclusion that he reached, that when the Minister of Finance (Mr. Benson) brought down his white paper on taxation he obviously had not read the document himself because since that time he has been backing away from his own thesis.

That white paper has been discussed in season and out of season across the country. I do not think any of the important proposals in it had the approval of the people of Canada. There has been much newspaper comment on the White paper. I read one from the Deloraine *Times* published in my constituency. The item is headed, "An Angry Canada", and reads:

> Across the country, more and more people from all walks of life are asking: "What is Ottawa trying to do?"

That is a good question, but unfortunately the members who sit on the treasury benches in Ottawa are not able to answer it because they do not know the answer. In all the letters which are reaching my office there is evident a spirit of growing protest, economic protest and political protest. The other day one of my correspondents waxed eloquent with poetry, and I would like to read this for the benefit of hon. gentlemen opposite. It is a poetic summary of the attitude of people in western Canada to the current disarray in government programs and policies. I know there is to be a ministerial safari to Saskatchewan this week-end. The ministers will get the message in person. I merely wish to give them a preliminary foretaste of what they may expect:

• (4:20 p.m.)

> Of Trudeau and Sharp you have heard,
> Edgar Benson is a big third.
> Recession, depression,
> In deadly procession
> Is the aim of this ravenous bird.

That was sent to me in a letter, and I think it is a good summary of the situation which faces the country at present. So far, the only minister who has spoken in the continuation of the debate has been the minister responsible for housing. His solution is, build more houses. He also gave us some words of wisdom when he tried to rebut some of the comments which opposition spokesmen have been making. He quoted that old aphorism, "The optimist sees the doughnut and the pessimist sees the hole." There are 700,000 unemployed people in Canada at present, as I am sure hon. members opposite realize. I almost said, "Hon. members absent", which would be a more appropriate term, and I include hon. ministers opposite when I say "hon. members opposite". It is very difficult for those people who are unemployed to see anything except a very dismal hole. There is not much dough in the doughnut that faces them in this dismal prospect. The government seems to be replying that unemployment is a rumour or, to use a phrase that the Prime Minister frequently likes to use, that it is, "a foul canard perpetrated by a bunch of people who are out of work." That is as close as they come to realizing the problems that accrue to those who find themselves among the 700,000 unemployed, a situation that has come about as a result of government bungling.

The Parliament of Canada set up within recent years the Economic Council of Canada. That Economic Council of Canada every year presents a report. Each year it reports the desirable goals towards which the government of Canada ought to aim. These are not the half-baked proposals of any private Member of Parliament. These are the carefully researched, analytical goals set out by the members of the Economic Council of Canada. We must have, first, full unemployment. I am referring to the points outlined by the Economic Council.

Mr. Francis: Full unemployment or employment?

Mr. Dinsdale: If the whip of the government party will read the report of the Economic Council of Canada he will see that full unemployment in Canada as a result of seasonal adjustments—I beg your pardon. I ought to say "full employment". Full employment, on that basis, is reached when our unemployment rate is 3.8 per cent.

Mr. Francis: Mr. Speaker, may I ask the hon. member a question. He has twice referred to full unemployment.

Mr. Dinsdale: I have corrected myself and said "full employment". The figure there is 3.8 per cent. There must be, second, a high rate of growth, an annual increase in the gross national product of 4.75 per cent. Third, there must be reasonable price stability, which would be a 2 per cent rate of increase in prices annually.

Fourth, there must be a viable balance of payments, where the foreign exchange fund is not subject to undue fluctuations. The final and fifth point is, an equitable distribution of rising incomes.

These are the goals that the Economic Council of Canada has set out as fundamental to any rational economic policy in Canada. The government presently occupying the treasury benches has failed to achieve any of these goals. It has missed the target in all respects. And why has it missed the target? Because it has put the cart before the horse, that is why. It has been so preoccupied with fighting inflation which was self generated. The Secretary of State for External Affairs (Mr. Sharp), who is present in his seat, knows something about that, because he was the minister of finance in the previous administration. Hon. Walter Gordon, who used to be minister of finance, would also know something about this. He was so mesmerized with his own propaganda when he wrote that book "Troubled Canada" in 1962, and with his own desire to get the economy going again when the economy was already going too fast, that the fires of inflation raged out of control.

For the past two years the present government has been deliberately bludgeoning the economy in order to deal with one aspect of the total economic situation. Only now is it moving to deal with what is the fundamental problem in the economy, providing employment for the citizens of Canada. This must be achieved, of course, through continuous economic growth. The hon. gentleman who spoke previously, the hon. member for Winnipeg North (Mr. Orlikow), outlined some simple proposals that would deal with this chronic situation of unemployment. I will not repeat what he said. I concur in all respects with those recommendations and wish to add an extra one. If the Minister without Portfolio responsible for housing really wants to achieve his goals for housing, he should seek the removal of the 11 per cent sales tax on building materials.

The government, as a cure-all, is expanding government expenditures which will go into winter works and make work programs of various kinds. Well, if the government had not cancelled the winter works program a few years ago, they would not need to take this emergency action. The winter works program was an excellent method, on an annual basis, of levelling out the humps and bumps of the seasonal fluctuations in employment in Canada. The tragedy is that those massive injections into the economy at this late date will not produce any real impact, and the Minister of Finance (Mr. Benson) admits this, until the warmer weather comes. The minister says things will be better next spring. I say that he and the government should adopt the slogan that was adopted in the past for this excellent winter works program: "Why wait for spring; do it now."

If the ministers who are going to western Canada this weekend, or at least one or two of those ministers who have direct responsibilities in these matters, had gone out through the hustings, as the Leader of the Opposition (Mr. Stanfield) did two or three weeks ago, they would realize that unemployment is more than statistics. It involves hardships among families; it involves misery, frustration, suffering and despair such as Canada has not seen for a long, long time.

One of the policies that the official opposition has been recommending to the government is the immediate removal of the surtax. This was alluded to by the hon. member for Winnipeg North earlier this afternoon. This would have the desirable effect of releasing or at least easing the pressure on the private sector of the economy; because, if we are ever to deal with the chronic unemployment situation, we must encourage a rapid degree of growth in the private sector of the economy.

• (4:30 p.m.)

Rather than growth, we are besieged and beset by bankruptcies, mass firings and layoffs, as a result of the fact that private business is floundering because of excessive taxation by the government. Tax relief would give immediate impetus to the total economy. Instead of economic growth, we have a 5 per cent slack which will require a 10 per cent performance next year in order to make up for the current slack in terms of total productivity. Goodness knows when the economy will achieve the rate which has been mapped out for it by the Economic Council of Canada.

In order to live up to my promise and give the Minister of Regional Economic Expansion an opportunity to speak before five o'clock, there is just one other matter—

Mr. Knowles (Winnipeg North Centre): We don't stop at five o'clock.

Mr. Dinsdale: That's fine.

Mr. Knowles (Winnipeg North Centre): This is a budget day.

Mr. Dinsdale: There is one other matter which concerns the minister directly which I wish to discuss at this time. There are special problems which relate to the Canadian economy which must always be kept in mind if we are going to achieve the goals laid out by the Economic Council of Canada, and if we are going to achieve the level of development and prosperity that should be the inheritance of a country as young, vigorous—the people, not the government—and rich in resources as the true north, strong and free.

The prime consideration is the problem of regional disparity. The minister has direct responsibility for this. The second is our high dependence on international trade, and the third is the same degree of dependence on our principal trading partner. We are closely tied to the economy of the colossus to the south, the United States of America.

In order to deal with the chronic situation into which the Canadian economy has slipped under the present administration, we have to do something about regional disparity. Perhaps this is outside the responsibility of the Minister of Economic Expansion, but the policies of the government as they affect my own province and the Prairie region generally are aggravating rather than assisting the difficulties. Manitoba is still basically an agricultural province. Agriculture is still the main source

of economic activity. The Minister of Agriculture (Mr. Olson), who was here a few moments ago, is from the west. He should realize that the policy initiatives that he is taking to deal with the growing crisis in agriculture are confounding the issue rather than providing solutions. I just mentioned that in passing because there will be much debate on the subject when it finally comes before Parliament. Bill C-176, the marketing legislation, was soundly shellacked when the Standing Committee on Agriculture was in Winnipeg last week. A spokesman clearly pointed out that if the terms of Bill C-176 are ever implemented, the diversified agricultural industry in Manitoba will be virtually destroyed. The same applies to the grain stabilization act, and the Temporary Wheat Reserves Act, which the government is threatening to remove from the statute books.

I wish to deal with another matter that perhaps does not seem important, but which is vitally important to the agricultural community. In 1963, capital grants for agricultural fairs were suspended. There have been no capital grants for almost eight years. The government has promised action. Some of the facilities at these agricultural centres are becoming quite shabby. As a result, there is a growing and urgent need for some infusion of capital under either the suspended program or a substitute so that the agricultural industry might be given this boost.

In addition to the problems of agriculture, the government is promoting the depopulation of the smaller rural communities and encouraging the rush to the big metropolis. This aggravates the current unemployment and other social problems which the Minister of Regional Economic Expansion was decrying in his recent speech to the Liberal party in Quebec. He prophesied that unless the social confusion and disorganization of the urban communities were toned down, we would be heading for severe trouble. Fundamental to this trend are government policies that encourage depopulation of the rural areas and concentration of the population in a few large urban areas where the social problems are so severe that it is almost impossible for civic administrations to deal with them.

In the western provinces there is a constant attrition of fundamental services. Transportation services such as railroads and air services are being downgraded as are postal services. The National Film Board used to play an important role in creating a sense of national unity and purpose by means of audio-visual education. This is now being downgraded. Local units are being closed in favour of the concentrated bureaucracy, Information Canada, in the larger centres. The CRTC is enunciating policies that militate and discriminate against the outlying areas. I have already indicated that the winter works program was discontinued, as were roads to resources. The tariffs are going up and up. This is direct discrimination against the Prairie community.

I read a very interesting speech by the Minister of Industry, Trade and Commerce (Mr. Pepin) to the Canadian Importers' Association of Montreal on January 20. As a result of that speech, the Winnipeg *Free Press*, a liberal journal, referred to the policy enunciated as "This is protection in excelsis". That statement appeared in the February 1 edition in a leading editorial headed "Pepin's Promise".

To show that the Minister of Industry, Trade and Commerce was doing some delicate tight-rope walking on that particular occasion, I wish to quote some interesting extracts from his speech:

> Yes indeed! But what, where from, where to, how freely and how much must we export and import?
>
> Sorry, as you well know, no magic formula is available to answer these questions. When the clichés have been exhausted,—

As an interpolation, I may say he uttered most of the clichés.

> —what is needed is knowledge, judgment, wise reconciliation of conflicting interests, proper balance of advantages, the play of competition, consideration for economic, social, political, even ethnic . . . national, regional, professional factors.
>
> The key word is "balance". I often point out that the balancing act is the most important act parliament has ever passed. I should like to illustrate how this balancing act has, nevertheless, been implemented in recent Canadian trade policy. As a matter of fact, this is my only objective today.

• (4:40 p.m.)

The response, in this balancing act, has been protection in excelsis, which does extreme harm to the basic industry of the prairies and runs completely counter, in direction, to some of the more desirable programs which the Minister of Regional Economic Expansion is attempting to promote.

Before concluding, I should like to ask the minister whether he intends to say some encouraging words shortly in connection with the situation which has arisen in western Manitoba as a result of the government's decision to close down the Rivers Air Base. I know the minister intends to visit that part of the country to survey the situation there. One of the main causes of unemployment in the area concerned arises from this phase-out, based on government policy.

The city of Brandon, other surrounding communities and rural municipalities, along with the Province of Manitoba, have directed a brief to the hon. gentleman requesting that he designate this area as a special area under DREE so that adequate alternative programs might be developed. This is the sort of constructive initiative which is required if we are to use the powers available under DREE to deal with this fundamental economic situation, that is to say, with regional disparity. I trust that as a result of the many representations which have been made, mostly by spokesmen from this side of the House, the government will break through its hard shell of insensitivity and appreciate that when we talk about 700,000 people unemployed we are not dealing with statistics but with people—people with families, young people, and all the social and economic ills which flow from the tragedy of unemployment. Perhaps when the ministers are in the west, down on the hustings during the cold winter atmosphere this weekend, this message will come home to them loud and clear.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, before I entered politics, I was always told that unemployment was the favourite food of politicians. Today, I see those who so informed me were quite right. It is not that I want to make a joke of the matter, because I know what it is to be unemployed. I have seen the unemployed and on many occasions I have fought for them, and I am aware that the problem is extremely serious.

However, I do not believe that opposition members have, at any rate so far, made really meaningful contributions to the debate on unemployment. Of course, they have complained about unemployment and denouncing unemployment and inveighing against the present government is a sure way of building up some kind of political prestige. It is easy. Anyone can do this denouncing and I appreciate that it should be done. There is not the slightest doubt about that.

However, I had thought that the opposition would do a little bit more than merely offer vague criticism. I expected them to submit concrete proposals, to tell the House and the Canadian people what policy should be adopted in order to put an end to unemployment and, in fact, to enable almost all Canadians to hold a permanent and remunerative job.

Some hon. members—my attention was drawn, for instance, to the comments of the hon. member for Winnipeg North (Mr. Orlikow)—appear to have written their speeches 20 or 25 years ago, taking into account the situation as it was then. Apparently, since then, they are repeating the same speeches, without being aware of the changes that have occurred in our society and without bearing in mind the decisions that have been made. The same stories are told because at the time they were pertinent. Today, however, such utterances have nothing whatever to do with the facts.

One member spoke of Quebec City. Nobody asked him to do so, but he spoke of it. He said that Quebec City has a serious problem because it dumps almost 100 per cent of its raw sewage into the St. Lawrence. However, for the past six or seven years, Mr. Speaker, we have been working with the province of Quebec and with the City of Quebec in order to eliminate the pollution of the St. Charles River. Two water treatment plants are being built; an amount of some 100 million dollars is provided for the treatment of all the small streams which pour into the St. Charles River. All this is being done. It seems that when the hon. member for Winnipeg-North-Centre, pardon me, Winnipeg-North, prepared his speech, this was not being done. That was the only way to bring a member of the New Democratic Party into the House. There is no doubt that unemployment interests the New Democrats, but—Mr. Speaker, I knew that the hon. member would resume his seat after hearing me make such a mistake!

So, Mr. Speaker, here is a man in public life who has just spoken of unemployment, of Canadian problems and who could at least inquire about and know these elementary facts. But it makes a good impression to assert

[Mr. Dinsdale.]

before the Canadian people that absolutely nothing is being done although we would really have a wonderful opportunity to find jobs for our unemployed.

In any event, whatever criticism we may level at the opposition, it nevertheless remains that unemployment is a very serious problem in our society. Is the problem serious because there are 600,000 unemployed rather than 500,000 or 400,000? I am under the impression that any man who is unemployed against his wish, even though he were the only one of his kind, would be thoroughly unhappy and society should come to his assistance. It is not the fact that there are 200,000 or 300,000 which is serious. Obviously, this makes for a greater number of unhappy people, but for the one who finds no work it will not help his situation to hear that his third neighbour is also unemployed.

It is a quite personal problem. Unemployment also becomes a social problem when there is a significant number of workers out of a job.

Mr. Speaker, I would like us one day to have more revealing statistics on unemployment, not because I do not believe that there are 600,000 unemployed—there are perhaps 700,000 or 800,000—but in order to know the truth as it is. I do not intend to minimize the importance of unemployment. We have total figures concealing quite varied realities.

For instance, does the worker who from one place to another has been vainly looking for work in the last six, seven or eight months fit in the same category as, say, the longshoreman who, by the very nature of his job, is unemployed in December and January and gets backs to work only in February or March?

Besides, the teacher who stops working in June and starts again in September is in the same situation. Nobody ever thought of considering this man as being out of work during the summer months.

It is also the case of the construction worker who is unemployed for a few months in the year because of the weather and usually, the fact that he is idle for part of the year is taken into consideration when his wages are established.

Then, all these people are put in the same category.

Is the unemployed from Montreal, who has been looking for work for the last six months, in the same category as the fisherman who has to stop fishing in November or December? He is unable to fish. His work year is not the same as that of an urban worker. And everything is mixed up.

Those who work only a few hours a week are numerous. There are not any global figures available for them. But, I think unemployment is such an important problem that more detailed statistics should be required in order to examine them in a more rational way.

Some workers are unemployed because of the nature of the industry they are in. Some industries are seasonal. Is the farmer in the same situation as the secondary industry worker in a city like Toronto?

Mr. Speaker, it would be in the interest of the public to have more telling statistics, which would prevent such an important assembly as ours to talk somewhat at random about an extremely serious problem, without having accurate information on the situation.

As we all know, Mr. Speaker, the goal of my department is to reduce economic and social disparities between the various regions of Canada, in order to make sure, as much as possible, that people from every area enjoy an acceptable standard of living.

This is a simple objective, that everybody can understand, but the fulfillment of which proves to be very complex in practice.

I am the first to admit that it was not easy at the beginning because the machinery of economy cannot be changed in so short a period of time. One must admit also that it is very difficult to restore the economy of underprivileged areas when the economy of the country as a whole is going slow and the unemployment rate is high.

Mr. Speaker, I think that the present situation is very unfair to unemployed people, but it is also unfair to the Department of Regional Economic Expansion because when the general employment situation is bad in Canada, there is no doubt that the programs that we implement have much less impact and that their effect on the unemployment level in Canada is much less apparent.

I am convinced however that for the past two years, we have implemented programs that will enable us to reduce regional inequalities and the effects of which will be all the more evident since the Canadian economy will be going again.

There are three such programs. The first one provides for employment in slow-growth areas; the second one is aimed at improving public utilities in under-developed areas in order to provide the population with a better standard of living; the third program enables us to provide assistance to the under-developed provinces in adjusting to various changes and in taking advantage of all new employment opportunities.

• (4:50 p.m.)

[*English*]

With regard to employment opportunities, the industrial incentives program in its new form has begun well. In 18 months, to January 31, we have 404 accepted offers of incentives for industrial plants in slow-growth regions. They involve an investment of $566 million. Towards that our incentives will contribute $123 million. The plants that we are encouraging will employ over 20,000 people when they are in production.

These are the new jobs directly created. They do not include the jobs preserved in plants which could not continue in production if we did not help them to modernize. They do not include the indirect jobs, the people who are employed because the new plants buy supplies and because their workers have wages to spend on additional products. The number of indirect jobs cannot be stated precisely, but a very modest estimate is 45,000. That is to say, in 18 months the new program has already set in motion investment that will involve, directly and indirectly, a total of at least 65,000 jobs in places where they are badly needed. This is the permanent result—the jobs created when the plants are in production. Admittedly, few of them are in production yet because they take time to build. That is a fact of life and the speeches of critics cannot change it. But these critics might note that the building of the new plants in itself creates immediate employment. Directly and indirectly about 75,000 man years of employment will be derived from the construction that the incentives program has already set in motion.

These are good results at so early a stage. The present state of the economy is not what any of us would like, but it is a great deal better than would have been possible without our regional development programs. For the future we have to go on expanding our efforts. That is why the incentives legislation was strengthened recently. It is why we are adopting new devices, like the Multiplex Corporation that we have just established as a joint agency with New Brunswick. Through that corporation we will be trying to bring a whole complex of large, modern plants into existence, centred on Saint John. That is just one of the new projects that we are trying to work out with provincial governments.

Since my department was established on April 1, 1969, we have not only launched the new incentives program, but, for a transitional period, we have continued the old ADA program. The cases approved under that program since April 1, 1969, are creating 19,000 new jobs as direct employment, and a total of over 40,000 jobs if indirect employment is included.

[*Translation*]

Then, Mr. Speaker, taking into account only the jobs which are directly or indirectly created by my department, I note that right there a total of approximately 150,000 jobs have been made possible thanks to this department. So, when the hon. members of the opposition state that this department is a failure and that it has done nothing, they are merely assuming the same attitude as the hon. member for Winnipeg North who makes statements without even trying to make sure of his facts.

Another important program being introduced by my department will help the provinces and municipalities set up the necessary public services for the development of low growth areas.

Since provincial and municipal authorities do not have adequate financial resources, the development of such public services cannot now materialize without federal help. This is why we have established our special zones program.

The first federal-provincial agreements, which have been in effect since April 1, 1970, provide for a federal contribution of the order of $243 million, spread over a two-and-a-half year period. The different projects issuing from such agreements involve directly or indirectly some 35,000 man-years.

[*English*]

For the benefit of those who are always referring to the winter works program, I will repeat in English what I have just said in French. Do they know how much money we are spending under the winter works program? We are spending about $25 million a year.

Mr. Dinsdale: It was doing a good job.

Mr. Marchand (Langelier): In the last two years we have spent, for the same purpose but much more intelligently, about $245 million.

Some hon. Members: Hear, hear.

Mr. Marchand (Langelier): So if hon. members want to hark back to the winter works program, then let them explain to the public what the government is doing.

Mr. Dinsdale: Would the minister permit a question. Why, then, has the government resinstated the winter works program this year on an emergency basis?

Mr. Marchand (Langelier): We have not.

• (5:00 p.m.)

Mr. Sharp: We have done a more effective job than winter works.

Mr. Marchand (Langelier): It has been explained in this House time and time again.

Mr. Dinsdale: Winter works.

Mr. Marchand (Langelier): No. There are the shipbuilding loans, loans to the provinces for various winter works projects, but nothing like the old winter works program any longer exists. When you refer to the winter works program, I should say that this was about the only program at that time. There was, perhaps, one other. That program was concerned with regional development, and the total amount expended for the year was $25 million. My department now spends over $300 million for the same purpose. I believe we are doing much more. Those who think we can correct the unemployment situation by reverting to the old winter works program do not know what they are talking about.

Mr. Dinsdale: You are not achieving the same result—wasteful expenditure.

Mr. Marchand (Langelier): Then, we come to the matter of helping disadvantaged people. Whatever the hon. member for Winnipeg North (Mr. Orlikow) thinks, I am very sensitive to the same values he has and I am working on this. I am not reading the same speech he read of 25 years ago. Besides the stimulation of employment through the incentives program, besides the help to community services in the special areas, we have a variety of other programs to help people to adjust to changes and take advantage of new opportunities.

Under the ARDA legislation, we have a great variety of programs to help rural areas. Let me take as examples two new projects recently started in Saskatchewan. At Cutbank, we are putting $1.5 million into a special training centre to provide Indian and Métis people with educational upgrading and work experience. Again, at Last Oak Park, we are investing nearly $3 million in helping Indian bands to develop recreation and tourist facilities from which they should be able to earn greatly improved incomes.

These are specific examples. We have been negotiating with the provinces broader ARDA agreements, which I expect to sign shortly. These will enable us to share with provinces in a very wide range of projects that will help people in rural areas to develop better incomes. I anticipate a considerable expansion of activity within the next few years.

As another aspect of helping people, we have greatly improved the resettlement program under which we help people in Newfoundland who want to move to the areas with better schools, better housing and more varied employment opportunities.

Then, we have the various FRED programs. The most ambitious is the Prince Edward Island development plan. That is working well, we are not complacent about it. Indeed, we are working out with the provincial government ways of making it more effective, particularly by providing funds for the school building program which is essential to economic and social progress on the island.

One of the most important of our new programs is particularly designed for severely disadvantaged people, such as people of Indian ancestry who have had little employment experience. We are anxious to provide a wide range of assistance to such people to set up, train for and finance their own undertakings. The details of such a program are now in the final stages of negotiation with the Prairie provinces and the Indian and Metis people, and we expect afterwards to expand the program to other provinces. Many of these social adjustment projects will build on the important work in preparing people for employment that is being done under the Newstart program.

Finally, in this brief review, I will mention the oldest of Canada's regional development programs. I refer to PFRA. Over the years, as everyone on the Prairies knows, it has contributed greatly to the improvement of land utilization and the conservation of water. Under today's conditions, with larger farms and the movement of prairie people into relatively larger towns, the key improvements in water utilization are necessarily those at the centres which act as the trading points for rural areas. With Brandon as a first example, we intend that PFRA should increasingly contribute to this need. In passing, I think I should mention I am very hopeful that very shortly we will have a solution for Gimli and Rivers. I have every reason to believe we have a solution.

Mr. Dinsdale: Come out with us soon.

Mr. Marchand (Langelier): I am awaiting replies to my letters.

Mr. Knowles (Winnipeg North Centre): Stop over on your way back from Saskatchewan.

Mr. Marchand (Langelier): Another indication of the broadened range of projects for PFRA is its assistance to

an Indian band at The Pas to construct the water and sewer system and streets for a modern subdivision on the reserve. In a more traditional field, we are working out with the Alberta government the role of PFRA in rehabilitating the major irrigation works in southern Alberta.

[*Translation*]

Mr. Speaker, this was a brief summary of my department's various programs. I am not saying they are perfect. But for hon. members to state out of hand in the House that the government is doing nothing for the underprivileged or the unemployed, this is mere demagogy. We are even accused of being unresponsive to the unemployment problem!

And yet, all of us, my department officials and myself as well as the cabinet that is behind me, are doing our utmost to find solutions to the Indian and Métis problems and those of the unemployed fishermen who are unable to find work and whose income is inadequate. We are trying to solve the farmers' problems with our ARDA programs. We are trying to find solutions to the problems of underdeveloped regions and declining industries, such as the footwear industry and the shipyards, by devoting the whole of our time to them.

The opposition members may say we are not good at it and that they would find the solution. Some will agree, some will not! But to have the Canadian people think that we are so many civil servants absolutely unresponsive to unemployment is to lie to them and try to make them believe such lies.

Mr. Speaker, there is one sure thing: the number 700,000 or 668,000 may be stated in the face of the Canadian people, but the opposition would really be wrong in not stressing that important fact in our social life. Indeed, the number is necessarily relative: 600,000 in relation to what?

Ten or 15 years ago, the labour force in Canada was about 5,000,000 or 4,500,000. Of course, 600,000 out of 4,500,000 has a somewhat greater importance than 600,000 out of 8,000,000. In the United States, there may be 1,000,000 unemployed, which is relatively less serious than in Canada because the labour force there is so much greater. Therefore when people use exclusively absolute terms and disregard seasonally adjusted rates, thereby ignoring the fact that the seasonally adjusted rate of unemployment fell from 6.6 to 6.2 per cent, I say they minimize the truth and want to hide it.

It is true that the unemployment rate has relatively decreased and it is important to mention it while complaining of the fact that in absolute terms, there are more unemployed than before. However, the fact that the seasonally adjusted rate of unemployment declined from 6.6 to 6.2 is extremely important and nobody could deny it. And if someone wants to use merely 130,000 more—

• (5:10 p.m.)

[*English*]

Mr. Orlikow: The figure is 668,000.

Mr. Marchand (Langelier): We know that, but you never mentioned the other figure. I say it is a good thing that you mentioned there are 668,000 unemployed in Canada. It is part of your job to do so, but it is also part of your job to say that unemployment has declined when this figure is considered in relationship to the other figure.

[*Translation*]

The rate went down from 6.6 to 6.2 per cent. We are now faced with an extremely serious and complex problem related to the general policy of the government which is being accused of promoting unemployment. Some of our unemployment may have stemmed partly from the government's action. But nobody ever came up with a practical and the solution to prevent this phenomenon.

When I hear our so-called leftists claim that the only way to fight unemployment is to lower taxes, I must say that I do not know where they learned their leftist's political philosophies. Indeed, this seems to be a rightist's attitude. In fact, who would benefit from tax reduction if not the wealthiest regions and this at the expense of the disadvantaged areas of the country? Come on, this is crystal clear!

Some hon. Members: Hear! hear!

Mr. Marchand (Langelier): This must be the most reactionary position in Canada today. The only way to assist the disadvantaged people of Canada is to enforce the kind of selective measures we have taken.

Mr. Speaker, I am as much concerned about the unemployment rate as any member in this House and there is no doubt that any politician would find such a situation disastrous. It is not as bad as the opposition pretends it is, but it may well be more serious than we thought. It is undoubtedly a serious problem and I only wanted to indicate that the government is engaged in correcting the situation and that my department has taken very significant action which will bring results, even though it might not yet be obvious because of the general situation. But I am convinced that we are going in the right direction and that, with some degree of co-operation, we shall be able to bring back a reasonable level of employment in Canada.

Some hon. Members: Hear! hear!

[*English*]

Mr. R. Gordon L. Fairweather (Fundy-Royal): Of all the people who should be talking and making accusations about vague denunciations, it occurred to me that the minister, because of what he has been saying in the last couple of months, is a master at it.

Mr. Marchand (Langelier): I have nothing to withdraw.

Mr. Fairweather: We will leave the record to speak for itself.

Mr. Knowles (Winnipeg North Centre): It speaks very loudly.

Mr. Fairweather: Even the Prime Minister (Mr. Trudeau) had to do a little chopping down for vague denun-

ciations. I will not trade statistics with the minister. I know that the unemployment rate in the Atlantic region of Canada, that is the number of unemployed as a percentage of the labour force, is, according to the revised statistical method of reporting today, 10.2 per cent. It is, therefore, up .2 per cent from the same period last year. That is why I am taking part in this debate.

I do not want to load the record with accusations that the government is doing nothing—that would be ridiculous. I know the government is doing something and I welcome the announcement, for instance, about the consortium Multiplex in Saint John. I just suggest that up to now the government has not done enough.

The conclusion of the debate on the budget delivered by the Minister of Finance (Mr. Benson) last December, comes at a time when we are all very deeply concerned about the issue of unemployment which, by the admission of the Minister of Finance himself, was deliberately created—a hardship by cabinet decree. On Tuesday, the Minister of Finance read the provinces a little lecture on how great he and the government were. I read the lecture, too. We were given it and also given the statistical tables. It occurred to me that it is normal practice for references to greatness to be left to the judgment of history. But this government is not content to await that judgment. They want to attempt to ensure their place in history now. In this they can be assured of some distinction, the distinction, I suggest, of placing a very cruel and unwarranted strain on the whole fabric of Canadian life.

I have tried to place myself in the position of one of the provincial ministers when the Minister of Finance told them to borrow to meet the increased costs of welfare—a superb response to a very urgent need. That is what the minister suggested, but he should have remembered that the increased cost was brought on by the federal government's decision to be tough on the issue of employment. The provincial ministers must have felt something of the shock one experiences in going from a warm room to an ice cold shower; bracing, if you can stand the shock.

What troubles me about unemployment, what troubles me after the genuine agony of those 668,000 Canadians who are totally out of work, is the government's complacency in the face of the figures. We continue to be treated to little homilies about it not being as bad as the statistics indicate. We have just had another example of that. We are urged to remain steady; we are asked to cool it, to keep calm. Well, the country needs a lot more passion from this government. We need evidence of more fire in the government's collective belly.

We had high hopes from the Minister of Labour (Mr. Mackasey). We thought for a time that he was the conscience of the cabinet. But when the minister was faced with an ugly situation in Kingston when frustrated and angry men broke a window in the national employment office, all we got from the conscience of the cabinet was the statement that the glass was being replaced. As my leader reminded the country, men and women who want to work but cannot are losing a little bit of themselves every day. That is tragic. Tragic indeed it is, and this government is compounding the tragedy by their lack of a forthright policy to face the most serious issue that has faced this country since the second world war.

[Mr. Fairweather.]

The Atlantic report published the other day by APEC is a cool and, if I can put it this way, neutral analysis of the situation in Atlantic Canada. The report reads:

> The economy of the Atlantic provinces during 1970 was placed once again in the unenviable position of being forced to withstand the impact of the conventional methods of slowing the progress of inflation without having contributed to the phenomenon.

That is the economic history of the Maritimes in a sentence.

> Although there was more evidence than ever before that regional difficulties were being recognized through discretionary fiscal policies, it was clearly apparent that more fine tuning of these measures was still necessary. Under the circumstances the regional economy appeared to fare reasonably well during the year relative to past performance and to the faltering national economy. However, many of the deep rooted problems appeared to worsen under the influence of anti-inflationary policies, a slowing national economy and a sluggish U.S. economy.

I make no apology for quoting these and one or two more paragraphs from APEC's analysis of current economic conditions and trends. The council has won for itself an enviable reputation for being apolitical and research oriented. It plays no favourites and has won the respect of provincial governments, industry and trade unions for its carefully studied forecasts of economic prospects.

• (5:20 p.m.)

The analysis suggests that:

> ... the Atlantic region will not move into the upturn of the current cycle until at least the latter part of the third quarter.

The latter part of the third quarter is some six months ahead.

> As the 1970's began the principle question being raised in the Atlantic provinces was whether federal authorities would be willing to temper anti-inflationary policies to ease the impact on the economically immature areas of the country. Uniform application of these policies in the past has shown that their impact was most severe in areas such as the Atlantic region.
>
> Some attempt was made to lighten the burden of the anti-inflationary strategy on the regional economy in the March federal budget. These measures included: increased funds for loans to the Central Mortgage and Housing Corporation to offset expected declines in the flow of private housing, money to assist low cost housing, aid to municipalities in setting up pollution abatement plants; increased mortgage funds for farm credit ... and increased funds for regional economic expansion.

But, Mr. Speaker, although these programs did set a precedent in recognizing the unique character of the regional economy, APEC's response was that policies expressly designed to alleviate the impact of federal contra-cyclical policies were needed. It was stressed that the economic structure of the region makes it particularly susceptible to economic slowdowns. Downturns occur more easily and faster than in the nation and recovery lags behind. Moreover, the region is adversely affected by cyclical variations and this is reinforced by the application of the broad levers of fiscal and monetary policy used to offset inflationary tendencies.

... The gravity of the regional situation led observers to anticipate that the year's second budget—

The one we are debating now.

—would recognize the need to bolster the regional economy and give it the impetus to move out of the trough in step with the nation.

And, as the analysis puts it so well:

This expectation did not, however, prove to be true ...

You do not need any embellishment on that statement that, "This expectation did not, however, prove to be true." These are not my words. These are not rhetorical adjectives that the Minister of Regional Economic Expansion seems so sensitive about. They are the result of a carefully prepared analysis by an apolitical group having to do with the whole economic future of the Maritimes. It is because the budget we are now debating falls so far short of the national needs, and because the expectation that it would recognize the need to bolster and give impetus to the regional economy proved untrue that I, as a representative of the region, consider it my duty to suggest that the minister, to say the least, has been callous in the manner in which he has ignored the special needs of our part of the country.

It seems to me that there are four issues having to do with the general theme of unemployment and regional inequalities, and as I have a minute or two more I want to try to state them as briefly as possible. The first concerns the working poor and the socially assisted. I hope the House will forgive me if I discuss this with particular emphasis on New Brunswick. This is not meant to be a whining cry for money. Rather, I want to share with you a *cri du cœur* on behalf of those who are having a hard time of it this winter, and also regretfully for many, too many winters before this winter. Some of the statistics are known, as an editorial in Tuesday's Moncton *Times* reminds us. There are figures that in their stark brutality are almost unbelievable. I quote:

—55 per cent of Tracadie's population is receiving help and in the general region about 40 per cent is on welfare.

Parliament and the country must understand that thousands of our fellow citizens have a food allowance of 17 cents per meal, "whose chances of finding jobs in the heart of winter are nil, whose homes are windy shells." To continue the editorial:

One fact appears to emerge—that the traditional welfare system of providing a subsistence style of living, tied in with a minimum wage structure whose earnings are often less than welfare allowances, must be changed. It provides no incentive to work and the whole structure drives out the few who can acquire an education, leaving behind the few who would be supported anyway (the widows, the blind, the ill and the old) and those who because of lack of education cannot qualify for jobs much better than cutting wood and catching fish. Both of these are seasonal occupations and are subject to the vagaries of weather.

When several years ago a talented CBC producer, Richard Nielsen, incidentally a New Brunswicker by birth, tried in a sensitive and probing documentary to share some of the horror behind these mean facts, people castigated him for not showing pastoral New Brunswick basking in an August sun. I was profoundly saddened by the film and depressed by the public outcry against what it depicted. Instead of engendering a will to something, I am sorry to say that many people ran for cover. They put on blindfolds and said that that was not the New Brunswick they wanted to see. Mr. Speaker, I suggest that if this issue, and the statistics in support of this issue are unsolved, they threaten by their brutality not only the unity in my province but the very fabric of this country.

Many people in this age of insensitive technocracy resist blood and guts words. They shun compassion and concern as being unworthy of the lexicon of a modern industrial state. As the old hymn asks, "When comes the promised time—?" Many Canadians are asking this question today. Many are asking this question this winter. I suggest that we, in this Parliament, have no higher priority than to work to end this patent injustice which is the lot of far too many of our brothers.

This leads me to the constitutional conference which completed another chapter in its continuing serial. We are now to be treated to constitutional underpinning to the determination of governments to fight regional inequality. But, Mr. Speaker, the niceties of constitutional language will have a hollow ring if these phrases are not translated into action. It will be idle and insulting to agree upon phraseology which has no content.

The budget we are debating certainly shows no evidence that one of the senior ministers in this administration understands his obligation to provide more funds for education and help to back up provincial tax revenues. The party I support will join the government in a common attack upon problems which are too vital for rhetoric, and I suggest, too human for a trading of statistical analyses.

In the statement of conclusions issued on February 9 at the end of the third working session of the constitutional conference, paragraph No. 7 is of interest. It is entitled "Regional Disparities." The first ministers, which seems to be the latest cliché for premiers and Prime Minister, recalling their conclusion on the subject of regional disparities at the working session in September, said that the constitution should include a recognization of the importance of equality of opportunity for all Canadians. It was, therefore, concluded that the reduction of regional disparities should be referred to both in a new preamble and in the body of the constitution.

(a) The preamble should state that one objective of confederation is the social, economic, and cultural development, and the general welfare and equality of opportunity for all citizens in whatever region they may live; (b) In the body of the constitution there should be a statement of obligation on all governments, federal and provincial

(i) to promote equality of opportunity and well-being for all individuals;

(ii) to ensure, as nearly as possible, that essential public services of reasonable quality will be available to individual citizens.

• (5:30 p.m.)

(iii) to promote economic development which will reduce disparities in the social and economic opportunities of individual Canadians in whatever region they may live.

This obligation would not be enforceable by the courts and would not have the effect of altering the distribution of legislative powers. If this statement, is to have

flesh and blood transplanted and transfused on to what is merely a textual recognition of a fundamental problem in this country, we shall have to await policy decisions. We have a very limited understanding of this matter. You will forgive people in Atlantic Canada if on this issue, on this entrenchment which is really a declaration, we are "from Missouri". My fellow citizens have been examined, studied, measured, tabulated and analysed.

The fact of the matter is that despite the massive and debilitative exodus of our sons and daughters, still over one in ten of my fellow citizens is without a job as I make my speech today. These people do not now enjoy equality of opportunity and well-being. These Canadians do not have—even with the qualification of "as nearly as possible"—essential public services of reasonable quality available to them. The budget which will reduce disparities in their social and economic opportunities. It is no wonder that the statement is qualified by the proviso that this obligation is not enforceable by the courts. The case has already been proved many times over, and I suggest that the courts would have to find for the plaintiffs, the people of Atlantic Canada.

There are two other issues that I wish to discuss. I will just headnote them because of other constitutional considerations. Desks are being moved; tappings on the door will soon be heard. It seems to me that any consideration of Maritimes' problems would be incomplete if something were not said about Maritime union. All I will say is that the provincial Premiers have made a significant start in what has been a monumental task outlined by one of our great Canadians, Dr. John Deutsch, of Queen's. The government of Canada must make its decision clear at this time because a constitutional proviso is involved.

The Prime Minister (Mr. Trudeau) will need to enunciate policy in this area. The Prime Minister a few months ago made an important statement in Saint John about the opportunity for trade between the Maritime provinces and the New England states. This was an important speech. It must be translated from a speech and become action. I think there must be a quid pro quo here. The Prime Minister and the government must take the lead in discussions with the United States and determine whether the needs of the United States for resources or goods may be traded off—I use this term in its best sense—in order to provide an opening for the products of the Maritimes in the New England states. Actually, the word I have written in my text is "orchestrate": such ongoing negotiations with the United States cannot take place in isolation.

Somebody said to me the other day in Brandon, "I am a conservative free trader." I reminded him that there are conservative free traders covering all of Atlantic Canada. Part of the paradox we face in this country is that there are all these quids and pros and quos, so to speak. However, if the Prime Minister's speech is to be more than an excuse for an interesting visit to enable him to see some of the country and its people, I suggest that the government has the responsibility of trying to translate the Prime Minister's statements of optimism about the economic future of the part of Canada that I represent into government policy.

[Mr. Fairweather.]

I hope that if these two days of debate have done nothing else, they have reminded the government that the statistics made available today by the Dominion Bureau of Statistics have to do with a great many unemployed. I hope that they will remind the government of Canada that the first priority of hon. members has to do with 668,000 people each of whom is an individual who is being diminished and demeaned because of a calculated decision that will prevent many of them working this winter.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, I am not certain how much time I have until the arrival of Black Rod. I have read most of the speeches made in the budget debate and have been present for some of them. One of the reasons for my taking part in this debate is that I have become aware, after listening to or reading the speeches, that we are really playing games with the people of Canada. Without exception we are all deeply concerned about the plight of 668,000 people. I do not think any member of this House would presume to feel a greater measure of concern than any other member. But it seems to me that when we talk about the people we are toying with their expectations; we are playing with their hopes; we are simplifying the problem; we are reducing the whole complex matter to a question involving single individuals and individual policies.

The Minister of Finance (Mr. Benson) has been the recipient of most of the abuse, and when it has not been the Minister of Finance, it has been the Prime Minister (Mr. Trudeau). This has been more an exercise of opprobrium and simplification than one of analysing the basic problem—and, Mr. Speaker, the problem goes very deep. I think one of the truly disappointing areas of the daily question period is that the hon. member for Prince Edward-Hastings (Mr. Hees) continually asks the Prime Minister what program he is going to produce to solve the problem of 668,000 people. That is unrealistic. I suggest that it is irresponsible to stand up day after day to demand a simple solution, a simple formula, when no single program will deal with the problem the roots of which were buried 1.5 years ago and the solution of which lies several months ahead. Every member of the House knows that. It is time we stopped playing games with the unemployed and began looking at the situation in terms of its real context.

Mr. Peters: And what is that?

Mr. Faulkner: I cannot help being distressed by the position taken by the New Democratic Party in this debate. No stronger speech was made than that of the hon. member for York South (Mr. Lewis). No adjectives were stronger than the ones he used—"cruel", "heartless" and "callous." Where was that party months ago when the Prices and Incomes Commission was set up, when there was an attempt to develop voluntary restraints because it was recognized that there was a problem? Instead of exercising the leadership which is incumbent upon that party as a national party, it simply served as an apologist for the trade union movement.

I do not blame the trade union movement for some of the objections they took regarding the way they were handled by the Prices and Incomes Commission. When faced with that situation, what was the responsible course for a national political party? Was it to serve as the handmaiden, as the apologist of the trade union movement, or was it to act as a bridge between the legitimate misgivings which the trade union movement felt toward the Prices and Incomes Commission—a bridge which would have reconciled the differences that were developing—and at that point try to achieve some sort of compromise which would have made the work of the Prices and Incomes Commission more effective than it had been? This was the responsibility of that party which lacked the guts, the leadership and the intestinal fortitude to assume the role incumbent upon it as a national party.

Mr. Knowles (Winnipeg North Centre): Now let us hear your speech.

• (5:40 p.m.)

Mr. Faulkner: I am just coming to my speech. Unfortunately, I will not have enough time to complete it. I wish to read one of the more interesting paragraphs from the sixth annual review of the Economic Council of Canada. This paragraph puts the position and the responsibility of the government in a context which heretofore has been missing. I quote from page 156 as follows:

> It is frequently assumed that high standards of performance in our economy, as well as the major decisions on resource allocation, are almost entirely the responsibility of governments—sometimes even more narrowly conceived to be the responsibility of the federal government. Nothing could be further from the truth. Governments today occupy a larger and more influential role in the economy than in the past. But the fact is that we have a highly decentralized system of decision-making in Canada, in which the great bulk of decisions affecting the economy are actually made outside of government—in private markets of growing sophistication and complexity and, in many fundamental respects, outside the ultimate capacity of governments to control in any detailed way. In consequence, the attainment of our various goals and objectives will require improved decision-making in both the government and the private sectors.

It would be worth while for hon. members to review that paragraph and study its meaning. The hon. member for Broadview (Mr. Gilbert) has probably read it. It puts in proper context the precise role and limits of responsibility of the federal government. It is that dimension which has been so patently missing from all contributions made by opposition members. What are the goals? The three goals we have all subscribed to, which are shared and outlined by the Economic Council of Canada, are full employment, economic growth and price stability. In its sixth annual review the Economic Council of Canada outlined the two basic areas in which the federal government has certain responsibilities, one on the demand side and one on the supply side. On the demand side they acknowledge that the principal tools available to the federal government are the traditional tools of fiscal and monetary policies. They analyse and outline the areas where the federal government can be effective on the demand side.

I recommend that hon. members read the various areas on the supply side where governmental policies are required. If hon. members read the list on the supply side and examine government policies in the past two years, they will have to confess, even if it is in the solitude of their own offices, that the record of the government in this area is particularly good. It is not only the record of the government but of Parliament. It has been recognized that in this limited area where we have a responsibility our record has been particularly good. That is cold, small comfort to 686,000 people.

Mr. Gilbert: You are right.

Mr. Faulkner: Despite the efforts of the federal government and decisions made by Parliament, the traditional methods which we have adopted have failed. During this debate, therefore, we should have explored some of the problems that any government traditionally has encountered in using the tools traditionally available to them. An interesting solution that is constantly recommended and is often alluded to by people in my constituency is that failing a solution to the problem of inflation we should develop a compulsory incomes policy and freeze wages. The traditionally bogey has always been the working men of this country. That is a misleading myth. However, the idea of an incomes policy of some form is a goal that should be pursued by this Parliament.

It would have been interesting to hear what opposition members have to say about this delicate area. It is in this area that the basic problem is found. My own view is that a compulsory incomes policy would not be workable in this country, for a variety of reasons. We should try to avoid developing the expectation among people in this country that the solution to our economic problems can be found in some form of compulsory incomes policy. The bureaucratic mess, the injustices it would create by a sudden freezing of a situation and the inevitable black market activities which would develop rule out a compulsory incomes policy as workable and viable.

Another approach that is sometimes suggested on the basis of European experience is some form of national collective bargaining. It is interesting to study the experience of the Netherlands and Sweden as well as Italy, France and other countries which have some form of national collective bargaining. It is particularly interesting to study the Netherlands example. They had what was considered to be a model formula until 1963 when the frustrations from the trade union movement at the plant level developed distrust between the workers and other union leaders. A wage explosion resulted.

This type of national collective bargaining with compulsory limits within which industrial bargaining takes place is not workable. It is not a viable solution. It would be interesting to hear from members of the New Democratic Party who, with all their shortcomings and weaknesses, have an understanding of the trade union movement and an appreciation of the mentality and thinking of trade union leaders as well as the rank and file. It

would be interesting to hear them explore what possibilities may exist in our country for some form of national collective bargaining. Is it a solution we should be studying in terms of the broad economic problems that confront us today?

A position can be developed which falls short of national collective bargaining but which may have some merit in terms of involving those sectors of the economy which heretofore have not been actively and continually involved in the whole process of economic decision-making at the national level. In lieu of a formula for a compulsory incomes policy and effective form of national collective bargaining, we might explore ways of strengthening and broadening national consultation between recognized leaders of the key trade unions, leaders of key industrial sectors and the government. If this sort of consultation was established, instead of working through institutions such as the CMA and the CLC—although they do have some strength they do not have the muscle that is required—we could consult various industries, packing-house workers, steel workers, mine, mill and smelter workers, electrical and others. By working in a continuing framework with government at the national level we could identify what now appears to be missing: we could mutually identify our national interest. Economic decisions could be arrived at, not the compulsory or obligatory kind but an approach within which local and industrial decisions could be made.

* * *

THE ROYAL ASSENT

A message was delivered by the Gentleman Usher of the Black Rod, as follows:

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

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

• (6:00 p.m.)

And being returned:

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act respecting statistics of Canada

An act to implement an agreement amending the trade agreement between Canada and New Zealand

An act to repeal the Leprosy Act

An act to amend the Emergency Gold Mining Assistance Act

At six o'clock the House took recess.

[Mr. Faulkner.]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Benson, that this House approves in general the budgetary policy of the government.

Mr. Faulkner: Mr. Speaker, the remarks I was making at a quarter to six were terminated by the arrival of Black Rod. If I may have the indulgence of the House, I should like to simply wind up the remarks I was making at that time. The initial point I made was that in the budget debate we were playing games with the people of Canada and that most of the speeches referred boldly and courageously to measures that amount to palliatives for the immediate problems. It would seem that we have been developing false expectations in the minds of the people that the problems we face can be solved simply and that all that is required is another government program.

Earlier I warned that it seemed to me we were confusing short-term palliatives, albeit in some cases necessary and possibly advisable, with the major problem to which we should be addressing ourselves. I refer to the problem of trying to achieve the three goals set out by the Economic Council of Canada which were concurred in by the members of this House, namely, full employment, economic growth and price stability. No one has yet addressed himself to that particular problem. I warned, furthermore, that it was a mistake, at least to my mind, to build a gulf between the public expectation and the possibility of performance of this Parliament or this government. The opposition has often called into question the policies and attitudes of this government in terms of the general credibility of Parliament in the public's mind, but nothing will discredit this institution more quickly or thoroughly than a public attitude of expectation which, developed by the opposition in this House, cannot possibly be fulfilled by any government whether Liberal, Conservative or New Democratic.

The fact is that there has been an absence of fact and of candour in the speeches so far. It would seem to me to be true that the government's policy on both the demand and the supply side has followed a fairly orthodox line consistent with the best advice available. The other fact is that there are over 600,000 people unemployed. This is not simply a problem for the government of Canada but is as much a problem for the Parliament of Canada, because it demonstrates that conventional wisdom—I must say that as I have listened to the speeches of the opposition, most of the solutions offered fall within the context

of conventional wisdom—is no longer satisfactory to meet the problems this country faces.

I suggest it is therefore important to turn our attention, as we move through a period of stability and growth in the next year and in accepting the invitation of the hon. member for Fundy-Royal (Mr. Fairweather)—and I have a great deal of confidence that the predictions of the Minister of Finance (Mr. Benson) will be borne out—to the fact that some of these problems should be approached in a broad, non-partisan fashion through the aegis of the standing committees which could examine, for instance, the report of the Prices and Incomes Commission when its findings after its year of study have been completed, to determine what sort of powers, if any, the government of Canada will be forced to adopt in order to accomplish the three goals in which all of us believe. That dimension, in my opinion, has been missing in this debate.

The second point I wish to make by way of conclusion, having explored before six o'clock what I consider to be the inadequacies of either a compulsory incomes program or a system of national collective bargaining, is that one thing we can do is broaden and strengthen consultation between the government and the private sector. As I quoted from the sixth report of the Economic Council, the role of the federal government in dealing with the particular problem we confront is limited. The most honest assessment of the federal government's role will accept the fact that our responsibilities are limited. There is a role for the private sector, for provincial governments and even for municipal governments. There is a role in the allegedly free enterprise economy for the private sector. They have their own responsibilities in this area. But it seems to me that at the national level we have not yet explored these matters fully and openly with the private sector, involving the total talents available there, the leadership of the trade union movement, the leadership among the industrial sector and national policies directed toward a national strategy. I argue that we might develop a national strategy if we can develop within the private sector, labour and management alike, the sort of confidence which will allow for the full cooperation and the full utilization of the talent and ideas that are available.

• (8:10 p.m.)

The challenge to the Canadian economy is a global one. I represent a riding which knows something about Japanese competition. When one examines how the Japanese have organized themselves, the collusion that exists between the industrial and the governmental sector, one notes a concerted, united attack on markets abroad. It seems to me, therefore, elementary that some form of common strategy will have to be developed in this country. We cannot expect the sort of discipline that exists in Japan to prevail here. The culture and the ethic of this country are different. People are not disposed to adopt the disciplined way of the Japanese. I do not intend to question the culture by which they work and live, but I state it as a fact. Here we have to develop a national strategy which is consistent with a generally free economy and a society which is made up of individualists.

Unless we develop such a strategy at the national level, with the government using the full resources of the private sector and calling upon them for their ideas and their participation, the sort of inroads made into our economy and the challenges we have faced will be even more serious than in the past. My intervention has been brief, Mr. Speaker, and I would now like to yield the floor to the Leader of the Opposition (Mr. Stanfield).

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, this is my third intervention in this debate, but I make no apology for speaking three times and at some length on the subject of the economic difficulties that the government has created for the country, because each time I have spoken the situation has become more pressing and more serious. As reflected in the remarks of the Minister of Finance (Mr. Benson) and hon. members on the other side of the House, in this debate and elsewhere, the government has its own rather peculiar interpretation of the state of the economy.

It is our responsibility as the opposition to try to bring this government back to some sense of reality. That is a difficult job with the government we have at present, but we have tried and we shall continue to try. We shall do so because this Parliament does not happen to be just a debating society where you score points and you win or lose on that basis. This Parliament, through its theoretical control of the cabinet, is supposed to be a place of decision and a place of power. This is a place where while awaiting their final appeal to the Canadian electorate hon. gentlemen opposite have to defend their actions or lack of same. That is what they should be doing during this debate on the budget. They have a heavy responsibility, which I must say they bear rather lightly—too lightly, some might say—for the serious economic and human condition that exists in Canada today.

The economic management of this country is not just a matter of manipulating figures. I believe there is a moral factor involved in the responsibility for economic management, and surely that moral factor demands that those who are responsible should feel a long-range obligation to do right by the people of Canada. Instead, we are governed today by short-range principles of expediency that seem to be aimed much more at making the government look right at the right time. The immediate past cycle of inflation and recession vividly illustrates a government that is following, not leading, and their method of operation is clear. Their approach to the problem of inflation is clearly defined in this way: play it safe until the cycle has passed its peak, take some initial action that looks good on paper but is woefully weak in fact, and once the crisis has peaked, slide with speed down the slope into recession and define that as the next problem to be courageously met by the government.

The Prime Minister (Mr. Trudeau) says that his government practises anti-cyclical economic management. I am convinced from the past series of budgets that this claim is specious. All we see are examples of the government either flooding the carburettor or pounding on the brakes as they ride the cycles, and as they make the ride they stop and start at most of the wrong places. There is a political benefit in the approach if you can make the

cycles meet your election-timing plans, but that approach surely overlooks the economic and social perils involved in such a policy.

We are now being asked to give final approval of the budget presented to the House by the Minister of Finance last December 3, I say that to do so would be a betrayal of our economic principles and a betrayal of the people of Canada. The three opposition parties in the House differ on many things—but there is one thing on which we agree today, namely, that this government has failed miserably in its responsibilities to Canada, to the Canadian economy, to almost two million Canadians directly affected by the scourge of mass unemployment and to the Canadian people as a whole because we are all involved in this tragic situation.

Those who are unemployed are seeing their human dignity melting away with their savings. Those who are not fortunate enough to have the right to unemployment insurance benefits—and they are legion—have to go on welfare. Welfare may well be a human right in a civilized society, but for thousands and thousands of Canadians today it is, and it must be, a symbol of failure. I say to them, as I say to you, sir, in the vast majority of cases it is not their failure; it is the failure of this government that sits so smugly before us. These are the men that must bear the responsibility for the present situation. The Prime Minister and some members of his cabinet boasted of their willingness to put up with, as they have expressed it, a high level of unemployment in order to win the battle against inflation. Have they ever won that battle? The Prime Minister replied in the affirmative. Inflation is licked, he told the Canadian people a few weeks ago. But sitting on this side of the House I am probably a better authority on the outcome of the government's torture test. I say that inflation may have taken a licking, but it is still ticking.

Therefore I must inform the right hon. gentleman, if he does not know it already, that in this world wishing does not make it so. You do not solve problems merely by saying you have solved them. I know that to a government to which style and image are much more important than accomplishment, that might be a hard truth to accept; but it is the truth, and the self-admitted failure of the Prices and Incomes Commission to achieve any viable agreement is surely an indication of this. But if there is no indication that inflation is licked, at least the government has succeeded in another part of its endeavours: it has increased unemployment to an extent unparallelled for years.

• (8:20 p.m.)

I have already mentioned the effects of mass unemployment on the unemployed and their families—the loss of economic security, the loss of human dignity and the loss of faith in society. But the results of unemployment go far beyond the unemployed because mass unemployment affects everyone in the country and it affects, for the worse, the whole Canadian economy. It means lost opportunities for business. It means higher taxes for those who are employed and who must pay for the welfare for those who cannot get jobs. It means a general loss of production, expressed in the gap that exists between the potential of the economy and its actual performance. This has been estimated at $80 million a week under the lower unemployment figures of a month ago. We can only guess what this loss is today.

That is the reality of mass unemployment. That is the reality behind the statistics that the government presumably finds so comforting today. I remind the Minister of Finance that behind statistics usually stand human beings: there is the human factor involved. That is why it is possible for a six-foot man to drown in six inches of water. These are the statistics that the minister tells us result from the government's economic policies, and presumably from the budget which we are now debating.

Let us look for a minute at some of the statistics. They show that one out of every 12 men and women in this country is now looking for a job. They show that one out of seven of our young people under the age of 24 is now involuntarily out of work. They show that there are now 183,000 more Canadians unemployed and looking for work than there were a year ago. They show that almost one-third of those unemployed today have been without jobs for four months or longer. They show that there are 123,000 fewer people working in Canada today than a month ago. They show that there are 130,000 more people out of work and looking for work than there were a month ago.

We all know that the Minister of Finance enjoys making predictions, although generally I think he prefers to keep them to himself. But in this case, unfortunately for him, he inadvertently made his prediction in public a week or so ago. At that time the minister gracefully conceded, without apparently too much concern, that there would be an increase of up to 100,000 in the number of jobless Canadians from December to January. In fact, he indicated that this was about the normal increase between December and January.

Mr. Benson: Seasonally adjusted.

Mr. Stanfield: Seasonally adjusted, the minister says. Seasonally adjusted! I say "nonsense" to the minister, Mr. Speaker.

Mr. Benson: Read the statistics.

Mr. Stanfield: Perhaps the television misled me. Perhaps I did not hear the minister at all. Perhaps it wasn't him at all saying that he expected that the actual number of unemployed would go up between December and January. I hope he is not going to deny that, because I heard him. And as a matter of fact, Mr. Speaker, that has been the normal increase. That was the increase a year ago. It was little less than that the previous year. That is why the minister was prepared to predict a similar increase this year. Sometimes the minister likes to appear to be a betting man. I wonder if he bet on the number of unemployed Canadians this month. If he had bet on the increase between December and January, he would have been out just about 30 per cent, or to put it in other terms he would have been out by some 30,000 human beings.

Mr. Benson: Would you bet on the figures that you use, and that the 6.6 per cent figure will not go down?

Mr. Stanfield: Mr. Speaker, for his own sake I hope the minister would not bet money. If the minister wants to make an issue on what I have said, I will be very happy to repeat what I have said and stand by it. I said I have not seen any realistic predictions relating to the economy this year which indicate that the seasonally adjusted rate of unemployment will drop—and I will stand by that.

Mr. Benson: May I ask the hon. member a question? I wonder if he would send me a copy of his speeches in the future, because I have been cut off his mailing list and so I really do not know what he says. I do not know why I have been cut off his mailing list.

Mr. Stanfield: Mr. Speaker, I am beginning to get a glimmer of understanding why the minister is following such foolish policies. He has not been getting the benefit of my suggestions.

Some hon. Members: Hear, hear!

Mr. Benson: Perhaps I could ask another—

Mr. Speaker: Order, please.

Mr. Benson: Could I ask a question?

Mr. Speaker: Order, please. The minister may ask questions only when the hon. member who has the floor, in this case the Leader of the Opposition (Mr. Stanfield), allows him to ask questions.

Mr. Stanfield: I would be delighted to have questions.

Mr. Benson: Mr. Speaker, I would like to ask the Leader of the Opposition why he has cut me off his mailing list. Perhaps he does not want me to know what he says.

Mr. Stanfield: Mr. Speaker, I am sorry the minister did not let me know sooner that he was not getting my speeches. I would have been happy to send them to him and in that way I might have saved the country an awful lot of trouble.

Some hon. Members: Hear, hear!

Mr. Stanfield: As I was saying, for his own sake I hope the minister did not bet any money. But whether or not he gambled with money, he has been gambling with human beings and with the economy for far too long. We do not want or need a gambler to run the economy of this country. The Canadian people need someone who knows what he is doing; and without giving any personal offence, we do not have anybody like that today. The Canadian people need someone at the helm who not only knows but is concerned about the results of his policies, their effect on their lives and on the economy. We certainly do not have anybody who fits that description today. Instead we have men who talk coolly about seasonally adjusted figures, and about the economy having turned the corner. Last March the government told us we were beginning to turn the corner.

Mr. Benson: On inflation.

Mr. Stanfield: In December the Minister of Finance told us we were turning the corner. Today we have the highest unemployment figures of the decade. They are the highest both in actual figures and in the seasonally adjusted rate that the government is so fond of talking about. If this is the government's idea of turning a corner, I would hate to see how long it would take to get around a long curve. In fact, there is no indication that in any meaningful sense we have turned any corner at all in terms of reducing unemployment. This is the fourth year in a row that the seasonally adjusted figures have gone down between December and January. In other words, that is a normal development for this period of the year. The difference this year is that they are declining from the highest seasonally adjusted rate of the decade. And that is not the only difference: take a look at the real figures this year and compare them with those of a year ago.

A year ago the real increase in unemployment between December and January was about 102,000 Canadians. I presume that the Minister of Finance was looking at that figure when he made his prediction that there would be an increase of 100,000 between last December and January of this year. Instead, at the very moment when he is being so smoothly reassuring about the future he, as well as the Canadian people, have been whacked hard where it hurts with the knowledge that actually we now have not only 100,000 but 130,000 additional Canadians out of work.

What kind of improvement is this that the government is trying to peddle to the Canadian people? Perhaps in the bureaucratic mind that prevails in this government, the soft sound of seasonal statistics can replace the harsh facts. Perhaps it thinks that by seasonally adjusting the temperature it could even make winter disappear. Well, I for one would not bet on that—and I would not bet, either, that any so-called seasonal decline will convince the Canadian people that there his been any improvement at all. Anybody who looks at the figures of unemployment must realize that there has been a substantial deterioration between December and January. This government in its blindness to reality may be satisfied with the results, but a united opposition on this question is not satisfied with this pitiful culmination of one year of promises. I can assure the government that the Canadian people are not satisfied either.

• (8:30 p.m.)

Mr. Benson: Mr. Speaker, would the hon. member permit a question? Would he not admit that the percentage of increase in unemployment in the month of January over December is the lowest since 1959? I am talking about the percentage of the labour force that is unemployed.

Mr. Stanfield: Well, if that should happen to be true—

Mr. Benson: It is.

Mr. Stanfield: If that happens to be true, it is only because the figure relating to unemployment in December was so high.

Some hon. Members: Hear, hear!

Mr. Benson: I was talking about the percentage of the labour force.

Mr. Stanfield: The government cannot deny that the increase of 130,000 in the number of unemployed between December and January is unusually high.

Mr. Benson: The increase, as a percentage of the labour force, is the lowest since 1959.

Mr. Stanfield: The figure is at least 30,000 higher than the minister predicted, and he predicted the normal increase between December and January. Speaking of figures, I was interested to note that the Minister of Regional Economic Expansion (Mr. Marchand) earlier this afternoon was wondering about the accuracy of our statistics on unemployment. He did not doubt that more than 600,000 were unemployed. Actually, I think he suggested that perhaps between 700,000 and 800,000 were unemployed in Canada today. I am glad to note that he insisted on the importance of obtaining more accurate figures than we now have.

When a minister suggests that there could well be 150,000 more people unemployed than the statistics tell us, and when that minister himself has been and remains very close to the problems of labour in this country, I suggest that it is more than time for the government of which he is a member to face up to the gravity of the situation and stop playing the very questionable numbers game that the Minister of Finance seems to enjoy so much. I differ with the Minister of Regional Economic Expansion when he tells us that the suggestion for a reduction of taxes is a right-wing suggestion.

Mr. Dinsdale: Nonsense!

Mr. Stanfield: That is exactly what I was going to say, nonsense.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Stanfield: Unless the government decides to make all the decisions for Canadians it obviously has to leave some individual choice in the hands of our citizens. That is one of the things our economy is all about, freedom of choice on the part of individual consumers. It is by extending this freedom and by helping to create a little more confidence in our economy that we shall help our economy to get going again vigorously. That is our answer and we stick to it.

Let us keep a broad view of the total picture, and not the narrow view of selected compartments that the government keeps throwing at us. The provincial and municipal share of rising welfare costs is not financed out of a separate bank. In the cases of major cities that I have visited, welfare costs have doubled in the past year. There is no question that this fantastic increase is directly attributable to the unemployment that the Minister of Finance has been so adept at increasing. Provincial and municipal treasuries are stuck with half of those costs and they are in the process of financing their share through the use of their own taxation fields. The result is an additional tax burden which will further erode the purchasing power of the dollar for those on fixed incomes. These are the same people that the Prime Minister said he was out to protect when he began the war on inflation.

By zealously creating unemployment in the course of a fight against one kind of inflation, the government in effect has substituted another kind of inflationary pressure on the same victims. Let there be no mistake—indirect taxation for provincial financing of increased welfare costs will go up. I think that British Columbia has already had to take that step. Municipal taxation on realty will go up as cities struggle to cover their portion of rising welfare costs. Already the housing servicing cost component of the consumer price index is on the rise. No amount of crowing about admirable price performance can wipe away that fact. Those on fixed incomes in Canada will face these increases and will very seriously wonder just how the government's anti-inflation program has helped them. I suggest that as the squeeze hits other wage earners, they will demand an increase in their incomes to offset their increased taxation load and at least try to stay even in this treacherous game.

What is the response of the federal government to this potential for renewed inflationary pressures and this appalling victimization by taxation of those on fixed income? The Prime Minister and the Minister of Finance say that they are going to stick at it, as is! There will be no temporary extension of unemployment insurance benefits to move large numbers of employable unemployed off the welfare rolls. Even though the surplus in the unemployment insurance fund is on the increase, there will be no extension. Even though the Prime Minister casually tells us that unemployment insurance is there to enable the jobless to ride it out during a period such as this, there will be no extension and no change. Why? I can only pressume that there will be no change because any extension at this time would disturb the finely-honed timing that this government has set for itself, the timing that will see the goodies passed out when it will do the government the most good. In the meantime, the cities and provinces can take a little flack and, what the heck, there's never much sympathy anyway for people on welfare!

I remind hon. members of this recent statement by the Organization for Economic Co-operation and Development: Long-term unemployment signifies lost productivity and life wasted—both national and individual misfortune. At present, according to the Department of Manpower figures released this morning 31 per cent of unemployed Canadians—in other words, approximately 200,000 men and women—have been unemployed for four months or longer. That, I suggest, is a scandalous situation. The longer the duration of unemployment, the more likely is the unemployed person to exhaust his unemployment benefits, if indeed he had any to begin with. Yet

this government has obstinately refused to widen immediate benefits, and this in spite of the fact that in December, 1970, the surplus in the unemployment insurance fund was almost $475 million. That, I think, shows something of the concern of this government.

Of course, one must admit that there is something in the rhetoric of the government when it speaks of the just society and participatory democracy. Certainly no other concept has come so close to distributing unemployment impartially among all classes of our society. Blue-collar workers, white-collar workers, professional men and women, the skilled and the unskilled alike are experiencing the results of this government's mismanagement. There is no way of ascertaining the number of persons forced into the poverty category as a result of long-term unemployment. The OECD has found that turnover among long-term unemployed is extremely low and that few families in the low-income bracket have accumulated the resources necessary to withstand prolonged jobless periods. It is surely obvious, even to this government, that many thousands of Canadians have been impoverished as a direct result of policies that right now mean that 200,000 men and women have been out of work for four months or longer.

Some hon. Members: Shame!

Mr. Stanfield: And what about the young people? One out of seven is unemployed right now. That is the result of present and past policies. Where is the hope for the young people who will be pouring onto the labour market this spring? Certainly it is not in the policies of this government, Mr. Speaker. Even while it refuses to behave as if it believes the situation is serious, this government is trying its utmost to apportion blame to people other than itself. The Minister of Finance (Mr. Benson) stated, as reported at page 2544 of *Hansard:*

• (8:40 p.m.)

During 1970 as a whole, unemployment in Canada averaged 5.9 per cent compared to 4.7 per cent in 1969. An important factor which contributed to this increase was the continued rise in the number of Canadians put out of work because of industrial disputes.

This excerpt from the minister's speech during the budget debate is another example of the government's hypocrisy in laying the blame for the results of its own policies on the backs of others.

Mr. Benson: It is not true.

Mr. Stanfield: It is not warranted by the facts.

Mr. Benson: It is not true.

Mr. Stanfield: The preliminary figures for 1970 indicate that the number of man-days lost through industrial disputes was less than in 1969. In 1969, more than eight million man-days were lost. In 1970, the figure was slightly less; there was a drop of more than 3 per cent.

Mr. Benson: It is not true.

Mr. Stanfield: The minister keeps saying: "It is not true".

Mr. Benson: What is the source?

Mr. Baldwin: Give the seasonally adjusted figures.

Mr. Stanfield: When we compare this figure with the number of man-days lost through unemployment, which amounts to 124 million, we can see even more clearly the real extent to which strikes and other disputes were involved in the rise in mass unemployment. No one minimizes the serious nature of labour disputes to those involved and to the economy generally. However, for the minister to play his "blame game" with this factor, and to magnify it beyond what the facts will support, is surely another reason to wonder about the honesty of this government in its statements of economic policy.

Some hon. Members: Hear, hear!

Mr. Stanfield: In other words, the minister's whole argument concerning the effect of strikes on mass unemployment belongs in the limbo of lame excuses made by a government that is bankrupt of policies and ideas, a government that has nothing to offer but blame for others and self-satisfaction as it continues to gamble that the economic cycle will not betray it. The Canadian people are fed up with a government that gambles with the health of the economy and the dignity of the individual.

The response of this government has been cool; I will certainly admit that. According to the *Globe and Mail* of February 10, the Minister of Finance suggested to the provinces that they could borrow if they wanted to do anything more about unemployment. That is cool: in fact, it is cold comfort indeed. The government has had warnings. It has had suggestions from many sources. Four our part, we have pleaded for the aboliton of the three per cent surtax, corporate and personal, which is supposed to be dispensed with in any event. We have asked for a further reduction in personal income tax. We have demanded a reduction in the 11 per cent sales tax on construction materials. We have done this because we believe such tax cuts would stimulate the economy. That is what is needed today.

We have asked the government to present a realistic tax reform package and thus reduce uncertainty in the economy. We have demanded that someone, anyone in the government be appointed to take charge of the fight against recession and mass unemployment. As an immediate measure for this winter we have suggested that unemployment insurance benefits be widened to cover many Canadians who are not presently covered or whose benefits may have run out. These are some of our suggestions. Other parties and groups have made other suggestions. I must admit that the government has been consistent: let us give them credit for that. They have turned a deaf ear to all our pleas and to the pleas of all sections of the Canadian people. In the face of a situation that has deteriorated from month to month, week to week and day to day, that has been their response. It is a response that the Canadian people can no longer accept

because it is not a response at all. It is part of the political waiting game that this government is coldly and inexcusably pursuing for what it sees as its own political advantage.

I accuse this government of playing statistical games with the Canadian people. I accuse this government of playing political games with the state of the Canadian economy. I accuse this government of inhumanity in its approach to the grim reality of mass unemployment in this country. To come right down to the topic at issue, I accuse this government of presenting to this House a budget that is dangerously irrelevant to the problems that face us today.

Some hon. Members: Hear, hear!

Mr. Stanfield: I accuse this government of economic incompetence, human neglect and social irrelevance. I ask this House, on behalf of the people of Canada, to disassociate itself from this government and to defeat this budget. Maybe then, at long last, we will be able to do something about getting the economy moving again vigorously and putting the employment situation on the road to recovery. If it will do any good, I will send the minister copies of my speeches.

Some hon. Members: Hear, hear!

An hon. Member: Give him a couple of buckets of heavy water.

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, as we approach the end of this debate we should recall that in introducing—

Mr. Speaker: Order, please. Is the hon. member rising on a question of privilege?

Mr. MacInnis: Yes, Mr. Speaker. Because I am vitally interested in all citizens of Nova Scotia, I wonder if the member from Vancouver would repeat the crack he made about heavy water, which is now the responsibility of the federal and provincial governments.

Mr. Speaker: Order, please.

Mr. Gray: As I was saying, Mr. Speaker, as we approach the end of this budget debate we should recall that in introducing his budget to the House on December 3 the Minister of Finance (Mr. Benson) outlined the latest of a series of far-reaching fiscal and monetary measures adopted by federal authorities since early last year to promote faster growth of production, employment and real incomes in Canada. I do not think it is necessary to again outline the substantial number of additional steps set out in that budget to provide still further assistance to individuals, regions and industries adversely affected by slow growth and, in the process, to provide a further major stimulus to expansion of the economy as a whole. However, I would like to recall and underline the conviction expressed in the budget that the economy was being set on a course aimed at bringing it back in the months ahead to the path of full employment of the nation's human and material resources.

In his December budget speech the Minister of Finance indicated to the House that there was already evidence the economy was moving toward a desirable stage of non-inflationary, long-term growth. The minister's contention has, of course, been greeted with what appears to be derision by members of the opposition parties who apparently never seem to allow themselves to be confounded by facts when they see political advantage, even though they may deny they are seeking it, in ignoring those facts.

Some hon. Members: Hear, hear!

Mr. Gray: But since the budget was introduced more than two months ago further evidence has accumulated to show that the economy is now beginning to move forward at an accelerating pace. In making a judgment on this it is useful to compare our situation with that of the United States. While Canada is affected by developments south of the border, it has also become increasingly noticeable that the performance of the Canadian economy over the past several months has been considerably more satisfactory than that of the United States. During 1969, real output in Canada rose by 5 per cent compared with only 2.8 per cent in the United States. In 1970, real output in the United States actually declined by .4 per cent. Although final figures are not available yet, all indications are that the increase in real Canadian gross national product will be around 3 per cent.

Perhaps even more important is the fact that Canada has been able to maintain this relatively stronger pace of growth while at the same time making considerably more progress than the United States or any other industrialized nation in bringing inflationary pressures under control. This is something the Leader of the Opposition (Mr. Stanfield) appears to be concerned about. In December, the last month for which figures are available, the Canadian consumer price index declined by .4 per cent and was only 1.5 per cent above the level of a year ago. The United States' index was up 5.6 per cent in December as compared with the 1969 level. In November, 1970, the industrial productuon index in Canada rose by 1.3 per cent as compared with the level in October. This is the largest increase in any month since February. I think it is of great importance also that Canadian exports rose to a record level during 1970 with a result that we built up a surplus in our merchandise trade of some $2.9 billion, more than double the previous peacetime peak in 1968.

• (8:50 p.m.)

By the turn of the year there were important signs that capital investment in Canada was beginning to pick up speed. New housing starts were running at a record annual rate of 271,000 in the last three months of 1970, double the number of starts in the second quarter of last year. In the year as a whole, construction was begun of more than 190,000 housing units. A significant increase in housing construction is also contemplated during the current year. As members will be aware, in the statement which was made in this House yesterday by my col-

league, the minister responsible for housing, a record number of 220,000 starts was forecast for 1971. There was also a significant increase in contract awards for non-residential and engineering construction toward the end of 1970. All this indicates there may well be a marked increase in investment in this field also during the current year.

Let me point out that in his speech to the federal-provincial conference in Ottawa earlier this week the Minister of Finance drew attention to the important point that in addition to these signs of increased activity there has also been a marked improvement in the underlying conditions required to sustain steady economic growth. He said:

> Our progress in overcoming inflation, the steady reduction in interest rates and indications that economic expansion has been renewed have all interacted to produce a new sense of confidence in the future by investors, business and consumers.

The minister said in the House that with continued good price performance these figures implied an increase in real output which will be more than sufficient to offset the increase in the labour force and so reduce unemployment progressively during the year. This expression of confidence in the accelerating expansion of our economy and the decline in the percentage of unemployed has continued to be received with scepticism by the opposition.

Mr. Stanfield: Would the hon. minister accept a question?

Mr. Gray: I would be happy to accept questions at the conclusion of my remarks. I think I shall have ample time left.

An hon. Member: Oh, go on. The Leader of the Opposition (Mr. Stanfield) allowed many questions.

Mr. Benson: My hon. friend does not have unlimited time.

Mr. Gray: The accelerating trend of the economy has been received with scepticism by the opposition. Perhaps they have difficulty in seeing what is going on around them, although they may deny it, in their blind thrust toward partisan advantage. By way of example I might draw attention to a report which appeared in the *Globe and Mail* some ten days ago of a speech by the Leader of the Opposition. The lead paragraph of this report, datelined Ottawa, read:

> Unemployment will not fall below 6.6 per cent this year unless the Trudeau government takes additional steps beyond those outlined in the budget last December.

The hon. gentleman went on to say, in speaking to a men's club here in Ottawa:

> The most optimistic forecast of Canada's economic growth for 1971 on the basis of present budget arrangements indicates the highest expected growth rate will make no appreciable reduction in our present rate of unemployment.

It appears the Conservative leader did happen to say something along the lines suggested by the Minister of Finance even though he seems to have forgotten about it. And it appears the Conservative leader does not stand alone in the view he expressed in Ottawa a few days ago. Only yesterday we saw the strange spectacle of Conservative, NDP and Créditiste parties joining together to condemn the government's economic policies and to forecast economic disaster. I use the word "spectacle" advisedly because it involved these three parties joining to condemn the government's economic policies in spite of the fact that each of them has advocated nostrums and panaceas for dealing with unemployment and inflation which are widely different and often sharply contradictory.

Some hon. Members: Hear, hear!

Mr. Gray: I suggest their gloomy and gloating message does not correspond with the trend of the improvement which is already noticeable in the state of our economy. The Leader of the Opposition may quarrel with the statistics, but these statistics issued by the Bureau of Statistics and the Department of Manpower are those he quotes when it serves his purpose; and this, surely, ought to demonstrate they are valid when they are quoted by the government to illustrate the accelerating trend of the economy and the improvement in the economic picture. Only this morning the Bureau of Statistics and the Department of Immigration—

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

Mr. Deputy Speaker: The hon. member is rising on a point of order?

Mr. Lundrigan: Yes, Mr. Speaker. The minister has quoted statistics. I wonder if I could ask him a question.

Mr. Deputy Speaker: Order. The minister has said that if he has time left he will answer questions at the end of his speech.

An hon. Member: He will make sure he has not.

Mr. Gray: I was about to say that the Bureau of Statistics—

Mr. Deputy Speaker: Is the hon. member for Gander-Twillingate (Mr. Lundrigan) rising on a point of order?

Mr. Lundrigan: May I ask the hon. gentleman a question? In spite of the fact that the Leader of the Opposition—

Some hon. Members: Order.

Mr. Deputy Speaker: Will the hon. member resume his seat? The minister has the floor. He said earlier, in reply to the Leader of the Opposition, that if he had time he would answer questions at the end of his remarks. In these circumstances the Chair invites the minister to continue.

Mr. Lundrigan: I stand to be corrected, but I assumed it was the right of the minister to make the decision as to whether I could ask a question, since he now has the floor.

Mr. Deputy Speaker: It is the understanding of the Chair that the minister said he would answer questions at the conclusion of his speech.

Mr. Gray: These interruptions by the hon. member and his friends indicate that I may be saying things they do not want to hear.

Mr. Lundrigan: My point of order is twofold. First, the minister has not told me that he would not accept my question.

Some hon. Members: Oh, oh!

Mr. Lundrigan: Perhaps hon. members would wait until I have finished raising my point of order.

Mr. Deputy Speaker: If the hon. member has a point of order I would like him to state it immediately.

Mr. Lundrigan: During the speech of the Leader of the Opposition, the Minister of Finance was very touched by my hon. friend's statements. He interrupted eight or ten times and his questions were accepted. I should like to know whether we can ask certain questions—

Mr. Deputy Speaker: Order. It is the understanding of the Chair that it is the prerogative of each member who has the floor to indicate whether or not he will accept questions during the course of his speech, or deal with them at the end of his speech as the case may be. I gather the minister said that at the conclusion of his speech he would accept questions if he had time.

Mr. Gray: I should like to say, if only to make sure that the hon. member does not feel he was ignored on his spurious point of order, that if he remains until the end of my remarks I shall be happy to answer questions from him. As the Leader of the Opposition pointed out this afternoon, the Dominion Bureau of Statistics and the Department of Manpower and Immigration have disclosed that in January unemployment on a seasonally adjusted basis fell to 6.2 per cent from 6.6 per cent in December. This is the sharpest drop in unemployment that has taken place in the last year, and is substantially below the 6.9 per cent recorded last September.

• (9:00 p.m.)

I invite hon. members to contrast this very encouraging improvement in the Canadian employment situation during the very first month of 1971 with the gloomy prediction made a few days ago by the leader of the Conservative party that there would be no appreciable improvement in the situation throughout the course of the whole year. Perhaps this is the kind of judgment that he must have applied when attempting to guide the affairs of the province of Nova Scotia, but I will not comment upon that. Contrast this—

Mr. Lundrigan: On a question of privilege, Mr. Speaker.

Mr. Deputy Speaker: Order. The hon. member for Gander-Twillingate.

[Mr. Lundrigan.]

Mr. Lundrigan: Mr. Speaker, the minister, this acting, imitating or impressionable finance observer, is not entitled to present to the House—

Mr. Deputy Speaker: Order. With respect to the hon. member, I do not think he has a question of privilege. He may have a matter for debate, but the Chair has recognized the Minister of National Revenue (Mr. Gray).

Mr. Lundrigan: Mr. Speaker—

Mr. Deputy Speaker: Order, please.

Some hon. Members: Throw him out.

Mr. Lundrigan: Mr. Speaker—

Mr. Deputy Speaker: Order. If the hon. member has a question of privilege I will hear it.

Mr. Lundrigan: I have a serious question of privilege, Mr. Speaker. The fact is that in 1970, 1969 and back to 1954 there was a computational method used by the Dominion Bureau of Statistics which allowed us to compare the seasonally adjusted figure for one month with months of previous years. In January, 1971—

Mr. Deputy Speaker: Order. I must inform the hon. member for Gander-Twillingate that that is not a question of privilege. It may be a point for argument, but the Chair has recognized the minister and he has the floor. If there is an opportunity in the debate—and I doubt that there will be—the hon. member might make his argument, but he cannot make it during the time allotted to the minister.

Mr. Lundrigan: Mr. Speaker—

Mr. Deputy Speaker: Order, please. The Minister of National Revenue has the floor.

Mr. Gray: Mr. Speaker—

[*Translation*]

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

[*English*]

Mr. Deputy Speaker: Order, please. Is the hon. member rising on a question of privilege?

[*Translation*]

Mr. Laprise: Yes, Mr. Speaker, I am rising on a question of privilege.

Today is the last day of debate on the budget, and the Ralliement créditiste has not yet had the opportunity to express its point of view. Now, I should like to—

An hon. Member: You have not been here all day.

Mr. Laprise: Mr. Speaker, we have been present in the House all day.

I notice that the Conservative member is trying unduly to hold up the business of the House precisely to prevent the Ralliement Créditiste from expressing their views on the budget.

[*English*]

Mr. Deputy Speaker: Order, please. With respect, I think neither the hon. member who has just spoken nor the hon. member for Gander-Twillingate really have questions of privilege or points of order. The minister has the floor and I think he is entitled to make his remarks. I would ask hon. members to permit him to make his remarks.

Mr. Lundrigan: Mr. Speaker, in the interest of co-operating with the Créditistes I will deal with my argument—

Mr. Deputy Speaker: Order, please. Would the hon. member resume his seat? The Minister of National Revenue has the floor.

Mr. Gray: Mr. Speaker, with respect to the figures of unemployment and their accuracy I think the best proof of the correctness of the figures is that the hon. member's leader, the Leader of the Opposition, used and interpreted them for his own purposes. Any other hon. member is entitled to take the same figures and draw such conclusions as he thinks appropriate from them. In any event, I am informed with respect to the particular method of computation, and whether or not there has been an adjustment in the method used, that the fact of the matter is that the present method presents essentially the same results as the one to which the hon. member referred earlier.

Mr. Lundrigan: "Essentially the same" is not the same.

Mr. Gray: Basically the same result; exactly the same result. Let us contrast this encouraging progress that I have mentioned with the predictions of all three parties yesterday that government policies would do nothing to help reduce unemployment this winter and that the same policies have irreparable effects on economic growth. The joint DBS and Manpower Department statement has this to say:

> The underlying employment and unemployment situation improved in January, 1971.

That was the statement the Leader of the Opposition used for the basis of his remarks a few moments ago. The statement goes on:

> This seasonal reduction—

That is referring to the reduction in the number of unemployed.

> —was the smallest, in percentage terms, ever recorded for this period by the labour force survey. The increase in the number of persons unemployed represented the smallest percentage increase between these two months for many years.

I would also point out that the decline in unemployment on a seasonally adjusted basis did not take place simply as a result of withdrawals of Canadians from the labour force. I am informed that the number of Canadians forming part of the labour force on a seasonally adjusted basis was at an all-time high in January. Again I should like to quote the release which the Leader of the Opposition seemed to find so useful to him.

> Consistent with the smaller-than-average—

Mr. Downey: On a point of order, Mr. Speaker.

Mr. Deputy Speaker: Order. The hon. member for Battle River (Mr. Downey).

Mr. Downey: For the benefit of the House I think we should hear what the hon. member for Gander-Twillingate has to say. Obviously—

Some hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. With respect to the hon. member, that is not a point of order. The Minister of National Revenue.

Mr. Gray: May I again quote from the release in question.

> Consistent with the smaller-than-average seasonal reduction in actual employment, employment on a seasonally adjusted basis advanced strongly from the previous month to 8,006,000, the first time it had exceeded the eight million mark.

It is correct that the statistics show an increase in the actual number of persons who were not working between December and January, but as the Leader of the Opposition in his own way agreed, I think, this is always the case at this time of year. In relative terms, the DBS report pointed out that the increase of 130,000 was the smallest since that of December, 1958, and January, 1959.

I want to make it clear, Mr. Speaker, that nothing I have said should be taken as implying in any way that the government considers even the lower rate of unemployment in January as being satisfactory. I do not suggest that it is satisfactory and the government does not regard it as such. The government is concerned about the level of unemployment and what it means in human and economic terms to those affected. It has been taking action to meet what the Minister of Finance in his budget statement confirmed as the government's objective—the goal of a substantial and sustained economic expansion and therefore, I might add, the increase in employment which would come with such expansion.

The figures that I have cited, however, do provide further important evidence that the accelerating pace of economic growth resulting from the expansionary fiscal and monetary measures progressively adopted since early last spring, and added to by the December budget, have brought about a reduction in the level of unemployment on a seasonally adjusted basis from last September onward. There may, of course, be variations from month to month, but the expectations are that this trend of declining unemployment will continue in the months ahead.

A few moments ago I referred to the strange spectacle of the three opposition parties joining in their condemnation of government economic policies, given the sharp conflicts in the policies that each party advocates. For example, does the Conservative party support the increase in government spending running into the billions of dollars advocated by the NDP? And if the Conservative party does support such a massive increase in

spending, does it still press for tax reductions that would cost the federal treasury more than $1 billion?

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

Mr. Deputy Speaker: Order, please. The hon. member for Greenwood is rising on a point of order.

Mr. Gilbert: Broadview, Mr. Speaker. I notice that the minister is reading his speech. This is against the rules of the House.

Some hon. Members: Oh, oh!

Mr. Gilbert: I wonder whether he would refrain from doing so; otherwise he is violating the rules.

• (9:10 p.m.)

Mr. Deputy Speaker: Order, please. I appreciate that the practice of the House over a long period has been that hon. members would not read speeches. I do not think the minister is reading his speech; he is referring to his notes. In any event, I would not want to draw any distinction between hon. members on either side of the House. I think if there is any fault here it may lie equally.

Mr. Gray: Mr. Speaker, I would confirm I was simply referring to my notes basically to the same extent as the Leader of the Opposition. I would like to ask if the NDP favours the 6 per cent reduction in personal income tax advocated by the Conservative leader and a similar reduction in the corporation taxes proposed by the hon. member for Prince Edward-Hastings (Mr. Hees). By the way, if the hon. member would like to look at my notes and see my scratches it would be obvious that this is my own speech. My notes would speak for themselves on this point.

Members of this House may wonder whether we should come to the conclusion that both the Conservative and NDP parties have now come around to supporting the Social Credit doctrine of the Créditistes as the solution of our economic problems, and I make no comment on the logic of that.

In the weeks and months ahead the three opposition parties may provide to the public of Canada some enlightenment in respect of the policies they jointly propose to resolve our economic problems. They readily condemn the policies of the government but have shown little ability to put forward their own solutions for the people to consider in place of the hodge podge of policies they advocate individually. Therefore, I am confident a majority in this House will be more than willing to support the policies of this government which have been more successful than those of any other nation in halting the dangerous spiral of prices and which have set the stage for the resumption of a stable expansion of production and employment in Canada.

To conclude, may I say that the concern about the present level of unemployment and the slack in the economy is something which I share and which I know the government shares with Canadians generally. I want to assure the House that the government is certainly aware of and is carrying out its responsibility to the people of this country in creating conditions in which there are increasing opportunities for employment and the development of the great potential which is ours as Canadians. I ask this House to vote to approve the motion before it and thereby to approve the budgetary policies of this government.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. During the course of his remarks the minister indicated that if he had time he would answer questions. He has four minutes left. I recognize the Leader of the Opposition (Mr. Stanfield).

Mr. Stanfield: Mr. Speaker, I should like to ask the minister whether he can indicate the forecast in real economic growth for the year, and if he is not prepared to do that, as the Minister of Finance has not been prepared to do it, is he prepared to say that 5 per cent or 5½ per cent, which is the minimum rate of growth referred to by the Economic Council, is necessary to keep unemployment from increasing further?

Mr. Gray: Mr. Speaker, I do not think the hon. member's question is one which leads to the type of answer he is seeking. He is seeking forecasts which he wants to be able to turn to his own use later on. However, I can say I am optimistic about this country. He does not appear to be, and he should be ashamed of that.

Mr. Stanfield: Mr. Speaker, if I were Minister of National Revenue I would be ashamed to give an answer like that. Can the minister indicate anywhere in the last decade when the number of unemployed in this country between January and February increased by as much as 130,000?

Mr. Gray: Mr. Speaker, I could be mistaken and I stand to be corrected, but I think in my remarks I referred to December 1958, to January 1959.

Mr. Lundrigan: Mr. Speaker, I shall not waste the time of the House by reminding members that unemployment has increased by 183,000 in one year—

Mr. Deputy Speaker: Order, please. I understand the hon. member seeks the privilege of asking a question, and I recognize him.

Mr. Lundrigan: Mr. Speaker, if you would give me half a second to get my question out I think I could do justice to it. The minister just delivered the most supercilious speech I have ever heard. Having rejected in toto the proposition of the Leader of the Opposition and of our party so far as taxation reductions are concerned, and the reduction in the tax on building materials and the like, I wonder whether he is prepared to offer any consolation to the 668,000 unemployed Canadians who have absolutely no expectation of any improvement in livelihood as a result of the speech of the Minister of Finance today and—

Mr. Deputy Speaker: Order, please.

Mr. Benson: I did not speak.

Mr. Deputy Speaker: I hope the hon. member will ask his question. The minister's time will expire in one minute.

Mr. Lundrigan: He needs about 16 hours, but let him have one minute now.

Mr. Gray: I think the government, in the budget speech of my colleague the Minister of Finance outlined the measures which are having and which will have the effect of decreasing unemployment in this country. We are listening to the people in this House and across the country and are keeping the situation under constant review, but I think the point of the budget of the Minister of Finance is that what the government is doing is appropriate for this point in time and that this budget therefore deserves the support of the House.

Mr. Deputy Speaker: Order, please. The hon. member's time has expired. He may continue only with unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: I do not hear unanimous consent.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I was really afraid I might not have time to express the Ralliement Créditiste point of view on the budget statement although we have been in the House all day.

Consideration of the budget always allows members to debate the general policy of the country or deal with some specific subject. Today, I should like to take advantage of the opportunity to discuss unemployment, about which much has been said and written and very little done.

In view of the fact that when the debate in the House is on unemployment—and we have had such a debate all day—there is verbal quibbling on the number of unemployed with statistics being wielded back and forth, I should like to speak particularly of the manner in which unemployment statistics are established as I question—and I have very good reasons to do so—the value of figures quoted in the various Dominion Bureau of Statistics reports.

• (9:20 p.m.)

I am familiar with the methods used to compile those statistics. Some 800 persons spend one week every month visiting from 30 to 40 households to gather unemployment statistics. They must visit about eight homes in one work day.

Each investigator is paid $1.92 per hour, plus 13 cents per mile he travels, or 16 cents per mile if he has business and pleasure insurance coverage. Each investigator must call on the same family every month over a six-month period; six new homes are visited every month, and six dropped that were formerly visited over six consecutive months.

It is getting to be a big joke that the same investigator should come for six consecutive months and ask the same household if they are still unemployed and how many hours they worked in the previous week.

Some people may be surprised that heads of households, tired of being bothered by the same investigator for the very same thing, will send their dogs after the statistician at the second or third visit. Then, the man will make up statistics in his car, with figures he estimates by himself, for fear of being bitten by the dog. I know that the third month, when he returns to the same household after finding out at previous interviews that the head of the household was getting annoyed at always being asked the same questions, the investigator feeling embarrassed always having to ask the same questions and since he would run the risk of getting a more or less rude answer as on previous visits, he merely fills his IBM forms with the previous answers or puts in imaginary answers in order not to bother again the investigated household.

Other investigators sometimes keep a copy of the answer given in the questionnaire at the first or second interview and knowing that the household will again be investigated the following month, they complete their forms in advance and make a courtesy call to them during the week, in order to prove their presence. Everything is then concluded and statistics are established.

With such methods, it is stated that the number of unemployed has been computed in Canada. With figures arrived at in such a poor scientific way from a sampling of 3,000 Canadian households per month they talk then in this House, with great compassion, on the most serious problem now—unemployment—leaving aside what is less important for the government, the unemployed in this country.

The 30,000 households "investigated" for six consecutive months constitute about ½ per cent of all Canadian households.

If, during these so-called inquiries, an average unemployment rate of 7 per cent was found for households visited for six months, the number of unemployed recorded is multiplied by the ratio represented by the 30,000 households investigated out of a total of 5,180,473-odd Canadian households in 1966.

I have before me the last issue of the Canada Year Book, that is 1969, which is available to every member of this House. One can see there the number of Canadian households visited. This is the latest figure. On which figure and which year does the Dominion Bureau of Statistics base the "guesstimated" number of unemployed in order to supply monthly statistics on the unemployment rate? How is it possible to believe that the figures published by DBS are correct while, on top of all that I already mentionned about the production of statistics, they instruct the 800 investigators who are on the road for a week a month to visit rural districts where there are fewer unemployed, because a farmer who works on his farm in the winter is not unemployed? And in the

summer, they take a sample of the unemployed in the cities.

Mr. Speaker, let us establish statistics now with statistics. For instance, the 800 persons taking the monthly census each represent about 6,500 households, because there were 5,180,473 households in Canada in 1966.

How is it that the province of Newfoundland has 71 census takers while it has only about 96,632 households? Therefore, there are about five times too many investigators in Newfoundland since they should be 14 and not 71. Are those statistics serious? With such random statistics it is no wonder that the government is all the time probing and searching. The governments are very well represented by such bad statistics. Our statistics are a joke when we know the way they are made up. Only jokers can make such statistics.

Since Prince Edward Island comprises 25,360 households, it should have four investigators instead of nine, so there are five too many.

Nova Scotia, with 185,245 households, should be entitled to about 29 investigators. It has 54, 25 too many.

New Brunswick has 141,761 households and is entitled to 21 investigators. There are 43—22 too many or twice as many as it should have.

The province of Quebec with 1,389,115 households would qualify for 214 investigators, but since it has only 153 it is short 60.

Ontario has 1,876,545 households, should have 289 investigators, has only 201, therefore it is short 87 if ratios should be taken into account to get accurate figures.

Manitoba has 259,280 households and would be entitled to 40 investigators but has 47, that is 7 too many.

In Saskatchewan there are 260,822 households and it should be entitled to 40 investigators; there are 51 of them, so 11 too many.

• (9:30 p.m.)

Alberta includes 393,707 households, so it would be entitled to 60 investigators; however, it has 81 investigators—21 too many.

British Columbia had 543,075 households in 1966 and while it was entitled to 84 investigators, it had only 81. Therefore, it was short three. However, it is still in British Columbia that the best balance is achieved as concerns investigators.

And if I should pursue a little further my examination of statistics for the province of Quebec, especially those concerning unemployment in the city of Montreal, there, again, I will discover most interesting facts. For instance, in nine constituencies of the city of Montreal where unemployment is high, there are ten investigators. The constituencies of Hochelaga, Lachine, Bourassa, Laval, Saint-Denis and Saint-Jacques each have one; Maisonneuve-Rosemont and Saint-Henri have two each; and Papineau has none whatsoever. The unemployment rate shows a tendency to increase in nine constituencies and ten investigators are being assigned there to collect data.

[Mr. Rondeau.]

Now, here is a contradictory picture. In the constituency of Ahuntsic, we find five investigators, in Durvernay, four; in Notre-Dame-de-Grâce, four also. Consequently, in those three constituencies, there are 13 investigators.

Now, in three constituencies where unemployment is declining 13 investigators can be found, and in nine constituencies where it shows an upward trend we find ten investigators. So, 13 investigators in three constituencies where unemployment is apparently going down will give a picture and compile comparatively misleading statistics, whereas ten investigators in nine constituencies where the opposite trend prevails will come up with statistics bound to give an erroneous picture of the unemployment situation.

The more we study statistics, especially when one is aware of the funny methods used to establish them, the more we see that speeches made on the unemployment rate prove irresponsible.

Why should the government refuse to take into account the figures provided by the manpower centres, even though they might be incomplete? Why is it that some public servants have been under orders to keep those figures confidential? The government is frightened because they do not want the public to know the real extent of the economic disaster that will result from their actions.

Let us give as few figures as possible and let us publish only those figures that are meaningless. Statistics are being "botched up" and we have seen, unfortunately, that the government is proposing "botched-up" solutions to the unemployment problem.

Since I first came to parliament I have known many a budget and I have always seen almost the same things: taxation budgets, bankruptcy budgets, unemployment budgets, budgets without foresight, "amateur" budgets, all soaking in speeches by so-called experts which always lead us to the same place—deeper and deeper down the economic drain.

An old French marshall once said that in all his life he had learned to distinguish three common factors, one of which was enough to lead a man or a businessman to bankruptcy. The first cause of bankruptcy, he said, often lies in an overconsumption of what is bottled in bond. The second cause is often an exaggerated love for women other than one's better half.

Some hon. Members: Oh, oh.

Mr. Rondeau: —and the third one is government, which often lead us to bankruptcy. We should blame those so-called experts.

In 1971 even more than ever, he who talks does not pick the tab. Funnily enough, it seems that all members in this House, and especially those sitting on the government's side, are complete ignoramuses for the number of so-called experts around the ministers or in the cabinet increases everyday.

Mr. Speaker, financial experts are working for finance and the governments elected by it are at its service. Unfortunately governments make use of budgets such as the one before us tonight and such as the ones that will

be presented in years to come, so as to better fleece the people in favour of finance.

The Minister of Finance (Mr. Benson) announced a deficit of $570 million in his supplementary budget for 1970-71 and another of $600 million in the 1971-72 budget. Those deficits represent new taxes for the Canadian people and at an early date, in spite of the promises on the part of experts who predicted a $250 million surplus, announced by the hon. Minister of Finance in March 1970. All statistics on unemployment are the result, as I explained earlier, of a heap of figures established in a non-scientifical way, that the government may change when they see fit by ordering inquiries in sectors or areas suitable for hiring, so as to better disguise unemployment.

[*English*]

Mr. Frank Howard (Skeena): Mr. Speaker, there being only a few moments left before the vote on the budget takes place I think I should state at the outset that usually I look upon it as a kind of pleasurable venture to speak in this House, but I cannot say that this evening. I do not see how anybody could have any joy in participating in a debate that primarily revolves around unemployment, in these days where there is a large amount of despair and disillusionment among thousands and thousands of Canadians; where misery, as a result of people being out of work, is almost unparalleled in our history; where, Mr. Speaker, in a land of plenty we have got thousands and thousands of families in need and in destitute or near destitute conditions; when in this land the good life abounds around us in all areas and all directions but does not quite reach into the bread line; where the affluence and wealth of this nation are beyond a person's dreams, agricultural, natural and human, and the only spin-off that comes from that type of wealth is the spin-off of welfare and unemployment insurance.

These results, from the type of structure and system we have, are lauded by the government as being prime attributes of its own policies and its own decisions. This afternoon the Minister of Finance (Mr. Benson)—one of the only times I have heard him say this—told the House that he was concerned about the unemployed. After he had made many answers to many questions today and on other days, being flippant and arrogant about it, he finally exhibited some degree of concern. But I think that is the sort of concern of the comfortable. That is the type of concern that is irrelevant to the real situation in life. That is the sort of concern that is an insult to the people who are unemployed in this nation. It is the concern of a man who participated in a program deliberately designed to create unemployment. And that is the sort of concern that should be rejected because it is not, in fact, concern.

It is the concern of a man who enjoys playing the numbers racket, the concern of a gentleman who in the old English term would probably be called a nutcracker or schemer, someone intent on covering up his own incompetence and the bungling and failure of his government. Is it any wonder that the three opposition parties, who have divergent views on what should take place to get the economy into shape, should band together in the face of such bungling? Why should the Minister of National Revenue (Mr. Gray) ask such a question? That is the reason the opposition parties are combined together, because they think in terms of human needs and requirements, not in terms of statistics and the numbers game played by the Department of Manpower and Immigration and the Department of Labour, and tonight by the Minister of National Revenue who poured out statistic after statistic after statistic, which proved to me the truth of the old saying that figures don't lie but liars sometimes figure.

That is precisely what the Minister of National Revenue has been doing and the government has been doing it every day that new statistics develop. They have argued about the validity of it, about how many people it contains, what its implications are and what its implications are not. Surely that is irrelevant. There should be more concern about people themselves, about misery, about the degradation that takes place when people are forced to walk the streets looking for employment but cannot find it. Then we had the Minister of Finance say almost gleefully today, in the television room down the corridor, that if unemployment insurance is not available to people the government had done such wonders through the Canada Assistance Plan that people could go on welfare. That is, Mr. Speaker, a shameful insult to the people of this nation and to their social requirements. It is no answer if the government says: We want to see people end up on welfare. We can do little except put them on unemployment insurance and juggle with the figures and facts.

• (9:40 p.m.)

The people of our nation ought to realize what this government is really concerned about. It is concerned, not about the social good of the unemployed people of this nation, not about the present state of the economy and not about the degradation and destruction of social life and family life but about the situation as it will be in 1972. The government is gearing every one of its activities with its eyes firmly fixed at the middle point of that year. Why is that, Mr. Speaker? According to the cold, heartless calculation of the Prime Minister (Mr. Trudeau), 1972, unless something unusual happens, will be the year of the next federal election. That is what the government has its eyes on. That is when the propaganda mechanism will be in full use. He thinks that perhaps the people will forget by 1972 what happened to them this time.

I think the government is in for a rude awakening. This sort of thing has gone on in previous years. Previous governments, most of them Liberal, tried to engineer matters so that they could successfully fight general elections. This government said that it deliberately set out to cure what it called inflation by creating unemployment and it is now saying that it will cure unemployment by creating inflation. People will not buy that sort of thing. The Liberal party has long been noted for its deceit, chicanery and doubletalk. Basically there is no difference between it now and what it was a number of years ago, except that there are some different faces at the top. It is led by the same sort of people. At present we have a

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combination of a heartless, detached technician called a Prime Minister and a former bookkeeper for a used car dealer. This great bookkeeper happens to be the Minister of Finance. With this combination, what can the working people of the nation expect?

An hon. Member: A great deal.

Mr. Howard (Skeena): They can look forward to being fed into a computer, to emerge as statistics, or to being fleeced. Probably to both.

Mr. Perrault: Keep it non-political now.

Mr. Howard (Skeena): The Parliamentary Secretary to the Minister of Labour (Mr. Perrault). the whole government and the whole Liberal party are really proud of themselves tonight, Mr. Speaker. They set out to bring this nation to its knees, and to their everlasting shame they have succeeded.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Hear, hear!

Mr. Howard (Skeena): My leader applauds that remark.

Mr. Deputy Speaker: Order, please. It being 9.45 o'clock p.m., it is my duty, pursuant to Standing Order 60(8) to interrupt these proceedings and forthwith put every question necessary to dispose of the question now before the House. The question is on the motion of the Minister of Finance (Mr. Benson).

The House divided on the motion (Mr. Benson) which was agreed to on the following division:

• (9:50 p.m.)

YEAS

Messrs:

Anderson
Andras
Badanai
Barrett
Basford
Béchard
Beer
Benson
Blair
Blouin
Borrie
Breau
Buchanan
Caccia
Cafik
Chappell
Chrétien
Clermont
Corbin
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Deachman
Deakon
Douglas (Assiniboia)
Drury
Dubé
Dupras
Faulkner
Forget
Foster
Francis
Gendron
Gibson
Gillespie
Givens
Goode
Goyer
Gray
Groos
Guay (St. Boniface)
Guilbault
Haidasz
Hellyer
Hogarth
Hopkins
Howard
(Okanagan Boundary)
Hymmen
Isabelle
Jerome
Kaplan
Laing
(Vancouver South)
Lang Saskatoon-
Humboldt)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard
(Lac-Saint-Jean)
Lind
MacEachen
MacGuigan
McBride
McNulty
Mahoney
Major
Marceau
Marchand
(Langelier)
Morison
Murphy
Noël
O'Connell
Olson
Orange
Osler
Otto
Ouellet
Pelletier
Penner
Pepin
Perrault
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Serré
Sharp
Smith
(Northumberland-
Miramichi)
Smith (Saint-Jean)
Stafford
St. Pierre
Sulatycky
Sullivan
Thomas
(Maisonneuve-
Rosemont)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Whicher
Whiting—114.

[Mr. Howard (Skeena).]

NAYS

Messrs:

Baldwin
Barnett
Bell
Benjamin
Bigg
Brewin
Burton
Carter
Coates
Diefenbaker
Dinsdale
Dionne
Douglas (Nanaimo-
Cowichan-The
Islands)
Downey
Fairweather
Flemming
Gauthier
Gilbert
Gundlock
Harding
Harkness
Howard (Skeena)
Knowles (Winnipeg
North Centre)
Korchinski
Lambert
(Edmonton West)
Laprise
La Salle
Latulippe
Lewis
Lundrigan
MacDonald (Egmont)
MacInnis (Cape
Breton-East Richmond)
MacInnis (Mrs.)
MacLean
McCleave
McGrath
McIntosh
McQuaid
Marshall
Mather
Matte
Mazankowski
Muir
Nowlan
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Rodrigue
Rondeau
Rose
Rowland
Saltsman
Schumacher
Simpson
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Thomson
(Battleford-Kindersley)
Valade
Yewchuk—66.

Mr. Speaker: I declare the motion carried.

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

Mr. Speaker: Order. The hon. member for Gander-Twillingate is rising on a point of order.

Mr. Lundrigan: Mr. Speaker, I should like to know whether the vote just seconded was seasonally adjusted or actual.

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Mr. Speaker: Order. This House stands adjourned until eleven o'clock tomorrow morning.

At 10.12 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, February 12, 1971

The House met at 11 a.m.

ROUTINE PROCEEDINGS

DOMINION BUREAU OF STATISTICS

[*Translation*]

TABLING OF PRESS RELEASE ON METHOD OF CORRECTING SEASONAL ADJUSTMENTS IN UNEMPLOYMENT

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, under paragraph (2) of Standing Order 41, I should like to table copies of a press release issued by the Dominion Bureau of Statistics and explaining the minor change made in the method of adjusting seasonal variations and showing that this method brings no change in the result obtained regarding the seasonably adjusted unemployment rate of 6.2.

[*English*]

Mr. Baldwin: On a point of order, Mr. Speaker, I take exception to what the minister has attempted to do in that it does not come within the four corners of Standing Order 41(2). I have raised this point previously, Mr. Speaker, and I raise it in all seriousness today because of what happened yesterday and of what is being attempted to be done today. Standing Order 41(1) reads as follows:

> Any return, report or other paper required to be laid before the House in accordance with any Act of Parliament...may be deposited with the Clerk of the House on any sitting day—

Standing Order 41(2) goes on to say:

> A Minister of the Crown, or a Parliamentary Secretary acting on behalf of a minister, may, in his place in the House, state that he proposes to lay upon the Table of the House, any report or other paper—

If one were to take the words "any paper" in their fullest and broadest sense, a minister could table anything, even a written memorandum which he had sent to somebody else. But I suggest to Your Honour and to the House that when this rule was changed a short time ago it was never thought that it would be prostituted in this way.

Some hon. Members: Hear, hear!

Mr. Baldwin: Under the principle of *ejusdem generis*, these words should be interpreted in a particular way, and for a minister or a parliamentary secretary to attempt to bring in a self serving, exculpatory, or explanatory press release in this way constitutes, in my opinion and in the opinion of the members of this party, an infringement of the rights of minorities and an abuse of the rules.

Some hon. Members: Hear, hear!

Mr. Baldwin: I know that Your Honour is very much aware of this problem, and I would just say one more thing in support of the point I am making. Yesterday the hon. member for Gander-Twillingate (Mr. Lundrigan) attempted to seek unanimous consent of the House to make a motion, and in your response Your Honour said:

> I have expressed the thought on earlier occasions that if hon. members were entitled, when moving a motion under Standing Order 43, to make a general statement it would only be equitable—

I stress those words.

> —that someone on behalf of the other side should be allowed also to make a statement, and that certainly would be contrary to the spirit of Standing Order 43.

Your Honour does not want there to be a double standard in the House. I do not want a double standard, and hon. members of all parties in the House do not want a double standard. But if, after hon. members have attempted to move motions under Standing Order 43, someone on the government side is to be permitted to make a statement, I suggest even more strongly that when a minister of the Crown attempts to bring in a press release to explain something which happened on a previous day and to try to justify it and apologize for it, members on this side should be entitled to reply.

• (11:10 a.m.)

Some hon. Members: Hear, hear!

Mr. MacEachen: Mr. Speaker, it is somewhat difficult to deal with the point of order, and I assume it has been difficult for the house leader on the other side to deal with it because he has not had an opportunity to examine the paper that the minister tabled under Standing Order 41(2). But from the description given by the minister it seems pretty clear that it is a paper dealing with a matter coming within the administrative responsibility of the government.

It is an explanation of the issue that was raised yesterday affecting the Dominion Bureau of Statistics which is under the administrative responsibility of the government.

An hon. Member: So are many other things.

Mr. MacEachen: Of course, if the statement went beyond an explanation of the statistical methods

employed it might not fall within this Standing Order. But I do make the point that it is possible for a minister to lay on the table a report or paper dealing with the administrative responsibilities of the government, and thereupon the same shall be deemed for all purposes to have been laid before the House.

When this standing order was agreed to it was understood that there were matters of interest to the House that could be laid on the table—

Mr. Baldwin: But never press releases—never.

Mr. MacEachen: —that should not be communicated to the House in the form of an oral statement which would lead to further oral statements. I agree that we are in this position somewhat because yesterday the hon. member and his party abused the rules. I think it worth pointing out that when one rule is abused, as it was abused yesterday, without any opportunity for spokesmen on this side to reply to long argument made by the other side, this tends to lead to other abuses.

Mr. Baldwin: Mr. Speaker ruled yesterday.

Mr. MacEachen: Mr. Speaker ruled yesterday that if an argument were to be made under the particular Standing Order used by the opposition, it would be equitable to allow the other side to argue. That was his ruling and we did not argue the point. But if the same practice is to be followed in the future, if hon. members should use the Standing Order to make an argument, then we shall have to claim our rights on this side.

Some hon. Members: Hear, hear!

Mr. MacEachen: The minister, not having been given an opportunity at any point yesterday to answer the arguments made by the opposition, today used another Standing Order to lay on the table an explanation of the statistical procedures that were employed by the Dominion Bureau of Statistics. I claim that under this Standing Order he has the right to do that, but I think his action has to be understood in light of the situation that developed yesterday, which I thought was quite unsatisfactory from a procedural point of view.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I suggest that for the Minister of Industry, Trade and Commerce and the President of the Privy Council simply to assert that what the minister has done is only to exercise a right under Standing Order 41 (2) does not necessarily make it a fact. I suggest, Mr. Speaker, and in my view you should so rule, that what the Minister of Industry, Trade and Commerce did was to use Standing Order 41(2) to get the floor, and once he had the floor he made what amounted to a statement on motions.

Mr. Baldwin: Quite right.

Mr. Knowles (Winnipeg North Centre): To say that he was tabling a document, without adding anything more, would have been all right. But he described that document in a manner which constituted, in effect, entering into the debate which Your Honour would not permit yesterday—and I do not quarrel with that ruling. The President of the Privy Council has just said that the government had no chance to reply yesterday and therefore it was replying now. That is precisely what the Minister of Industry, Trade and Commerce did. The words he used were the government's answer to the whole question of the change in the methodology, to use Your Honour's word of yesterday. I submit that because the Minister of Industry, Trade and Commerce has today made what is a statement on motions, Your Honour should follow the rule that permits spokesmen for the opposition parties to comment on such statements.

Mr. Lundrigan: Mr. Speaker, I assumed that I could make a statement in response to the minister.

Mr. Speaker: Perhaps the hon. member assumed a bit too much. I would think that very valid points have been made in this argument by the President of the Privy Council and the hon. member for Peace River. We are faced with a very difficult situation.

Hon. members will recall that when an attempt was made yesterday by the hon. member for Gander-Twillingate to present a motion to the House under the terms of Standing Order 43, I rose and on a point of order suggested to the hon. member that his statement was going somewhat far beyond what was allowed under Standing Order 43, that he was in effect making a statement, and that if we allowed such statements to be made in support of motions under Standing Order 43 the government, or someone on behalf of the other side of the House if such a motion were made by a government member, should be allowed to make a statement in reply thereto. This is why I invited the hon. member to put the motion as quickly as possible. The President of the Privy Council has stated that to reply to the statement made yesterday by the hon. member for Gander-Twillingate the Minister of Industry, Trade and Commerce thought what he should do is table a document in the form of a press release by the Dominion Bureau of Statistics.

Mr. Pepin: By the Dominion Bureau of Statistics.

Mr. Speaker: I have serious doubts whether this is a correct practice. I would think that the correct practice might have been for the hon. minister to make a statement on motions.

The hon. member for Winnipeg North Centre says that the minister has made a statement. I am not certain that he has. I felt that the minister in tabling the document was coming very close to making a statement when he described the document that he was tabling. I cannot judge nor rule that it was really an argument or statement which the minister was making when he tabled the document. Perhaps he should not have described it, as he did. Having said that, I cannot find that the minister has made a statement. It is still open to him to make a

statement on motions—one not relating to Standing Order 41(2)—at which time opposition members would have an opportunity to make statements.

My suggestion to hon. members again is that when we extend the rules we become involved in difficulties such as the one we now have. If a question during the question period is accompanied by a statement or prefaced with an allegation of fact, the question is really out of order. An individual member putting a question which includes a statement of fact or an allegation may be unhappy when the minister argues a case or makes a statement in reply to the allegations of the hon. member. Again, I would say that both the question and the answer are out of order.

It is when members try to use the rules to their advantage as members that the House and the whole system get into difficulty. I invite hon. members to try to respect the rules as much as possible, to try to follow them as closely as possible, and to discipline themselves to respect not only the letter but the spirit of the rules which have been proclaimed for the efficient operation of this institution.

This has been a somewhat unhappy incident, I would hope it would guide members and the Chair in future situations.

Mr. Lundrigan: I rise on a point of order, Mr. Speaker. I accept Your Honour's ruling with great respect, as I always do. However, may I say that even though we do not have the Dominion Bureau of Statistics as a backup to our research system we do have a competent research office, and on the basis of Your Honour's ruling I assume it will be acceptable for us to table in the House on Monday a statement prepared by our research office.

Mr. Speaker: Order, please. I would think the hon. member would have to have the rules amended in the meantime. Perhaps that might be done over the weekend.

* * *

POLLUTION

SPRINGHILL MINE DUMP FIRE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I ask unanimous consent of the House to put a motion under Standing Order 43 on a matter of urgent and pressing importance. The residents of the town of Springhill have been suffering from the effects of a mine dump fire since 1965. This fire is presently burning over an area of some 45 to 50 acres at a depth of from 40 to 60 feet. On a wet, humid or snowy day the fire pollutes the whole town of Springhill and the surrounding area.

A number of investigations have been carried out into the effect of this pollution and the means whereby this mine dump fire can be extinguished. An investigation has been under way by the Department of Energy, Mines and Resources since early last year, which was supposed to

have been completed by September of last year but has not been completed to date. The Minister of Energy, Mines and Resources has informed me that the information contained in this report will not be made available to the public. Since this pollution could well affect the health and lives of the people of the town of Springhill, numbering some 7,500, I move that this matter be referred to the Standing Committee on Environmental Pollution.

Mr. MacEachen: Mr. Speaker, I wish to raise a point of order immediately in connection with this motion. I do so, I hope, in the spirit of the ruling you made a few moments ago and in an effort to co-operate.

I appreciate the importance of the matter the hon. member raises and the effect his recital has on our feelings, but it does illustrate the difficulty that arises if an hon. member is permitted to give what I consider to be a rather substantial description of a problem and then ask leave to make a motion and confront the government with a decision as to whether it should acquiesce or reject the request at this time. Surely it is putting the government in a very difficult position if its only response on an occasion of this kind is to say yes or no. It could be interpreted by the people affected as indifference to their problem.

Some hon. Members: Hear, hear!

Mr. MacEachen: That is far from being the case, because the government is sympathetic toward those who may be affected by these circumstances. However, I believe that if it is possible for an hon. member to make an extensive explanation of the reasons for placing a motion before the House it ought also to be possible for the government to consider the situation and make an extensive explanation of the circumstances which make it possible or not possible to give leave for the motion.

Some hon. Members: Hear, hear!

Mr. MacEachen: Otherwise the situation that is developing under this Standing Order will go from bad to worse and lead to a most unsatisfactory position, in fact, to the very difficulty to which the Chair drew attention a few moments ago.

Mr. Speaker: I hope we do not become involved in a repetition of what took place a few moments ago, but I will hear the hon. member for Cumberland-Colchester North.

Mr. Coates: I think there are one or two questions which should be clarified. The President of the Privy Council intimated that this was the first time the information contained in my statement had been provided to the government as a basis for reaching a definite decision. In the first place, I stated the facts of the situation in as concise a manner as I could. There was nothing partisan at all in what I said.

Some hon. Members: Hear, hear!

Mr. Coates: The second point is that I made a speech in the House a very short while ago in the course of which I mentioned this subject. The President of the Privy Council was in the chamber. He comes from the same province as I do. He knows the situation. He cannot get up and camouflage—

Mr. Speaker: Order, please. The argument made by the hon. member at this time is not entirely relevant to the point of order raised by the President of the Privy Council. The President of the Privy Council has in substance reiterated the point that the Chair made a moment ago.

I appreciate the difficulty in connection with Standing Order 43. Hon. members have been using Standing Order 43 more and more since the House adopted a change in our rules to eliminate difficulties that had resulted from an abuse of the use of Standing Order 26. The Committee on Procedure and Organization, in its wisdom, revised rule 26, and there are some hon. members who feel that perhaps it is now operating a little more efficiently and to the greater satisfaction of hon. members, though this opinion may not be held universally by hon. members.

What we are obviously doing now is using Standing Order 43 to replace Standing Order 26, and in my view Standing Order 43 was never intended as a substitute for Standing Order 26. In my view Standing Order 43 should be interpreted by the Chair as strictly as possible. When hon. members make a motion under Standing Order 43 I have invited them to limit their presentation to the House to the urgency of the matter and not to develop or present a substantive argument. I am satisfied that in most instances this prescription has been respected by hon. members. We have had a considerable number of motions under Standing Order 43 which have been limited, brief, to the point, and non-partisan as the hon. member for Cumberland-Colchester North suggested a moment ago. They have been motions that have been limited entirely to indicating the urgency of the matter raised in the motion.

In my view there is nothing substantially wrong with the motion moved by the hon. member. In the difficult situation that has been raised by the point of order made by the President of the Privy Council, only two things are possible. First, the House can change the Standing Order. The Standing Order is in the book and it is open to hon. members to use it, and this is what they have been doing. If the majority of the House is of the opinion that the Standing Order should be amended, then it is open to hon. members to change it, either by proposing a motion to the House or by having the matter considered by the Committee on Procedure and Organization, with that committee reporting back on the advisability of making a change in the rule which could then be considered and possibly adopted by the House. The only other alternative is to rely upon the Chair to use its discretion in deciding when, in the opinion of the Chair, the presentation of the motion has gone beyond the limits prescribed by Standing Order 43. This is what I have tried to do and what I shall continue to do. I might say again that in this particular instance I find nothing substantially or essentially wrong with the motion proposed by the hon. member.

As a parting word, may I add that the concurrence prescribed by Standing Order 43 is not the concurrence of the government but the concurrence of the House. Even if the whole government—the cabinet—were in favour of a motion proposed by any hon. member, it would be sufficient if one member of any party, even a member from the ranks of the hon. member who proposed the motion, to oppose the putting of the motion: it would then not be put. We should interpret this Standing Order in the way it should be interpreted, which is in the way it is written, namely, that it requires unanimous consent, that is, the consent of every member of the House. I do not think the government should want to take on its shoulders the responsibility of refusing a motion. If a motion is refused, it is not refused by the government but by the House, as expressed by the voice of but one single member who has the right to refuse his consent to the putting of the motion.

• (11:30 a.m.)

I again want to tell hon. members that I am fully aware of the difficulties which have arisen in respect of the interpretation of the use of Standing Order 43. Until such time as it is amended by the House I will do my best to satisfy hon. members on both sides, including the President of the Privy Council, and to ensure that it is not abused or used for presenting substantive arguments and that the presentations of hon. members are limited to an indication of the urgency of the matter.

Hon. members have heard the motion and I must inquire whether there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

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

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WAYS AND MEANS

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

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, in accordance with the provisions of Standing Order 60(2), I request the designation of an order for consideration on Tuesday next of the ways and means motions tabled by the Minister of Finance on December 3, 1970.

ORAL QUESTION PERIOD

CONSTITUTIONAL CONFERENCE

DIFFERENCE BETWEEN ENGLISH AND FRENCH TEXTS OF STATEMENT OF CONCLUSIONS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I regret the absence of the Prime Minister because I think this question should be directed to him. However, I will direct it to the Acting Prime Minister and perhaps we can get a satisfactory explanation. On Wednesday the Prime Minister tabled the text of the communiqué of the federal-provincial conference. There appears in the English and French texts what seems to me to be an irreconcilable difference in the use of language. I refer to page 10 of the French text and page 9 of the English text. Is the Acting Prime Minister able to explain to the House how the English phrase "expressed its sympathy" is equivalent to the French phrase "se déclare en accord"? What steps are going to be taken to reconcile this difference?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as the hon. member has said, this is a question which ought to be directed to the Prime Minister rather than the Acting Prime Minister since I was not present and presiding at the meetings of the constitutional conference. However, I will direct this question to the Prime Minister and I am sure he will be glad to provide an explanation.

Mr. Lambert (Edmonton West): Mr. Speaker, would the Acting Prime Minister also direct this question to the attention of the Prime Minister? What steps have been taken in direct or indirect contact with the premier of the province of Quebec who apparently relies fully on the French text as expressing what happened at that conference?

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LABOUR CONDITIONS

UNEMPLOYMENT—ESTIMATES OF SEASONALLY ADJUSTED FIGURE AND GROSS NATIONAL PRODUCT FOR 1971

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Finance who, while he is not on the roster, may compensate for the six ministers whose names are on the roster for today but are not present.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question regarding the prediction by government economists that the seasonally adjusted figure for unemployment in 1971 will be in the neighbourhood of 5 per cent to 5½ per cent. Does this express the government's estimate of what the unemployment figure will be for this current year?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would have to ask my hon. friend a question in return as to the source of that information. I just do not have that information.

Mr. Speaker: Order, please. I would not think this would be an order. Perhaps the hon. member might like to ask a supplementary question.

An hon. Member: We could change the rules.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the source of that information is a report in this morning's *Globe and Mail* by Mr. David Crane who received this information—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I will ask the minister a direct question. What is the government's estimate of the seasonally adjustment unemployment figure for this current year?

Mr. Benson: Mr. Speaker, the author of the newspaper article obviously had access to the research department of the NDP.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Benson: Mr. Speaker, the government has not stated publicly the seasonally adjusted rate of unemployment for any specific time during the year. It has stated that the seasonally adjusted rate of unemployment will go down from its high of last September of 6.9 per cent, and indeed it has now declined to 6.2 per cent, much to the chagrin of my hon. friend.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, if I can persuade the minister to stop being flippant and try to deal with the question—

Some hon. Members: Oh, oh!

An hon. Member: You have a job there.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the statement by Mr. Smith, the chairman of the Economic Council of Canada, that it will require an increase in real output of 6¾ per cent to get unemployment down to 4 per cent in three years, a 7½ per cent increase to get unemployment down to 4 per cent in two years, and a 10 per cent increase in real output to get unemployment down to 4 per cent in one year, may I ask the minister what the government's estimate is of the increase in real output of the gross national product for 1971?

Mr. Benson: Mr. Speaker, when I get around to making my next budget speech in a month or two—April, probably—I will at that time, as usual, forecast what the GNP will be.

Inquiries of the Ministry

Mr. Lambert (Edmonton West): Another budget in April?

Mr. Benson: Maybe in March.

[*Later:*]

Mr. David Lewis (York South): Mr. Speaker, I have a supplementary question for the Minister of Finance arising out of an answer he gave just a moment or two ago in which he suggested that the government had not made any public statement as to the forecast of unemployment. I should like to ask him whether the government has made any estimate of likely unemployment, either actual, seasonally adjusted or both, for this year and, if so, would he please inform the House what that estimate is?

Mr. Benson: Mr. Speaker, periodically the government does estimate what is going to happen over a period of time, but it is not the practice in this House, nor has it ever been the practice, to make these assumptions public as they are just assumptions.

Mr. Frank Howard (Skeena): Mr. Speaker, I have a supplementary question for the Minister of Finance. Inasmuch as the government and the minister are not averse to making forecasts in respect of housing starts, the gross national product and other types of economic activity, why will he not disclose his estimate of levels of unemployment? Is he embarrassed or ashamed of it?

Mr. Speaker: Order, please.

Mr. Benson: No, it is done during the budget speech.

Mr. Speaker: Order, please. I suggest to the hon. member and the minister that we are now entering the field of argument.

UNEMPLOYMENT—ROLE OF PROVINCES IN COPING WITH RECESSIONS

Mr. David MacDonald (Egmont): Mr. Speaker, in the minister's invitation to the provinces to finance further unemployment assistance, was he introducing a federal constitutional proposal that the federal government should have the fiscal and monetary power to create recessions and the provinces the responsibility to find the resources to cope with them?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the premise of that question is wrong. I simply pointed out to the provinces that the bond market had improved greatly because of the actions taken by the government over the past year, that it was possible for them now to get money in Canada to proceed with public works, which was not a possibility a year ago, and that by borrowing in Canada they assist the whole Canadian economy because this does not put upward pressure on the Canadian dollar.

[Mr. Benson.]

[*Translation*]

EXTERNAL AFFAIRS

INTERNATIONAL CONTROL COMMISSION—REPORT ON DEFENCE MEASURES TAKEN BY REPUBLIC OF VIET NAM

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

Could he tell us whether the Canadian government, as a member of the International Control Commission, has received a copy of a report on the measures taken by the Republic of Viet Nam, to ensure its own defence, and would he table this report in the House?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): As I said in the House the other day, Mr. Speaker, we have asked for meetings of the International Control Commission. Informal meetings are now proceeding. Just what the content of these discussions will be we do not know yet.

Mr. David MacDonald (Egmont): I wonder if the minister could indicate as well whether there has been any communication from the two original co-chairmen of the Geneva conference on whether or not they have made any progress with regard to the reconvening of that conference in terms of bringing a period of peace and stability to southeast Asia?

Mr. Sharp: We have called for a meeting of the ICC. We expect it will be held. Just how far the Indian and Polish members will co-operate with us in investigating all of the breaches of the neutrality of Laos, I do not yet know.

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LABOUR CONDITIONS

UNEMPLOYMENT—BUREAU OF STATISTICS SEASONALLY ADJUSTED FIGURE FORMULA—STATEMENT BY MANPOWER MINISTER

Mr. G. W. Baldwin (Peace River): I have a question for the Acting Prime Minister. In view of the fact that the press statement tabled by the Minister of Industry, Trade and Commerce today states that a new method is being incorporated by DBS for dealing with seasonally adjusted figures, would the Acting Prime Minister repudiate on behalf of the government the erroneous statement made by the Minister of Manpower and Immigration yesterday that this was not the case?

Hon. Mitchell Sharp (Acting Prime Minister): As I understood the allegation of the opposition yesterday, it was that the government has directed the Dominion Bureau of Statistics to make changes. That is completely unfounded. The Dominion statistician, I am sure, would resign if there were any interference with the publication of these figures.

Some hon. Members: Hear, hear!

Mr. Baldwin: Would the Acting Prime Minister get down to answering the question I asked, even though it may be embarrassing, and repudiate the erroneous statement made yesterday by the Minister of Manpower and Immigration that there was no new method?

Mr. Speaker: Order, please.

Mr. John Lundrigan (Gander-Twillingate): I should like to ask the Minister of Industry, Trade and Commerce whether by using the new method adopted on January 1 there would have been any difference in the results during the month of January, 1970, from the results under the old method and whether in fact it is legitimate to compare the results in January, 1971, with the results of the statistics since the year 1954 computed under the old formula?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): That is exactly what DBS says in the statement which I tabled this morning. I am in a funny position, Mr. Speaker. If I told DBS how to compute their statistics I would be accused of telling them how to establish statistics, which is the last thing I would do. For one reason among many, I would not know how to do it.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): That never stopped you before.

Mr. Lundrigan: While agreeing with the minister's last statement, may I ask further whether in fact the statistical formula which came into use on January 1, 1971, made any difference in the regional computations in view of the fact that in August when the old formula was used the figure for Atlantic Canada was 8.5 per cent while under the new formula the figure is 8 per cent. I ask that in view of the statement made yesterday by the Minister of Regional Economic Expansion.

Mr. Pepin: I will ask DBS to establish that and I will also ask them to issue a communiqué which I will table on Monday.

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AIRPORTS

TORONTO—ACTION TO RELIEVE CONGESTION OF FACILITIES

Mr. Stanley Haidasz (Parkdale): I would like to ask the Minister of Transport what action he will be taking to relieve the intolerable congestion of facilities at the Toronto International Airport.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I do not think that you would permit me sufficient time to give in detail all of the steps that are being taken. Perhaps, however, you will permit me to indicate to the hon. member that arrangements were finalized yesterday for the building of a special temporary terminal at Toronto which will be used exclusively for charter flights beginning, I think, on June 16, and which should significantly relieve the pressure on the current terminal.

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INDIAN AFFAIRS

NOVA SCOTIA—CONSTRUCTION OF HOUSES ON RESERVES TO PROVIDE EMPLOYMENT

Mr. Robert Muir (Cape Breton-The Sydneys): My question is for the Minister of Indian Affairs and Northern Development. The minister may recall my question of a few days ago when I brought to his attention the statement by Mr. Noel Doucette, the president of the Union of Nova Scotia Indians, that 90 per cent of Indians in Nova Scotia were unemployed. The minister stated that he would inquire to see whether there was a special problem in Nova Scotia in regard to new housing starts and said he would be glad to report to the House. I wonder if he is in a position to do so now.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am pleased to report to the House that in 1970-71, we have spent $195,000 to build houses in that area and that this year we have decided to bring up that item to $246,500, which will ensure the construction of 29 new houses in the area mentioned by my hon. friend. As for the other reservations in Nova Scotia, the president of the Indian Association has asked us to delay our program, because the Indians would like to consider the situation before we proceed.

[*English*]

Mr. Muir: The translation came through that $185 million had been expended. I would be glad if that were so but I assume it was wrong. May I ask the minister whether he is aware that the latest so-called increase of $100,000 was for all of the Atlantic region and that Nova Scotia only received $47,000? Is he also aware that as many as two, three and even four families are living in one house, if I may be so bold as to call some of these shacks houses?

Mr. Chrétien: I just said that we will construct 29 new houses on the area to which the hon. member referred. As far as other areas in Nova Scotia are concerned, the Indian Association of Nova Scotia asked us to delay because they themselves are conducting a survey of the situation.

Mr. Muir: I wonder if the minister is aware of the fact that the president of the Indian Association has completed his survey and it has been sent to the department. He said the other day that he wants houses built for all

the Indians. He does not want any delay. They have a high rate of illness and there are more Indians in hospital than whites because of lack of housing.

Mr. Speaker: Order, please.

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FINANCE

AMOUNT OF BORROWINGS BY GOVERNMENT IN 1971—ABILITY OF PROVINCES AND MUNICIPALITIES TO BORROW IN CANADA

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): On Wednesday last, as recorded at page 3242 of *Hansard*, I asked the Minister of Finance a question regarding his statement to the provincial premiers in conference that if they needed more money they should go out and borrow it. His reply was that the government will be borrowing $2 billion to pour into the economy this year. Is that $2 billion in addition to the $1.5 billion which the government will be required to borrow for refunding purposes to meet maturing obligations? Does this mean the government will be borrowing this year $3.5 billion?

Hon. E. J. Benson (Minister of Finance): Yes, it is $2 billion new money.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister whether he considers that it will be possible for the provincial and municipal governments to borrow in the Canadian market if the federal government is going to borrow $3.5 billion, or will the provinces and municipalities be required to go to the United States market despite the advice by the Minister of Finance that they should refrain from doing so?

Mr. Benson: I think that there will be ample funds in the Canadian market to take care of $2 billion in borrowings by the federal government plus the legitimate requirements of the provinces.

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TRANSPORT

TORONTO—STUDY OF RAIL COMMUTER SERVICES

Mr. John Roberts (York-Simcoe): I have a question for the Minister of Transport. Has the government decided to initiate studies into the provision of rail commuter services north of Toronto?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. On Wednesday I agreed with the chairman of Metropolitan Toronto that the Department of Transport would take the initiative in conjunction with my colleague who is responsible for housing and urban affairs with a view to determining what further rationalization may be possible in terms of the rail lines leading into Toronto to see whether these can be employed for commuter purposes.

Mr. Roberts: Can the minister give some indication of when he expects these studies to be completed?

Mr. Jamieson: No, Mr. Speaker. The first phase is simply to devise a mechanism through which these studies can be undertaken. We will be discussing them with the railways, the province of Ontario and the various municipalities concerned, but a start will be made almost immediately.

[*Later:*]

Mr. John Gilbert (Broadview): Mr. Speaker, my question is supplementary to a previous one and it is directed to the minister in charge of housing. Has he set forth any moneys in the CMHC budget to acquire or hold lands to help relieve the transportation problem that the Minister of Transport has referred to regarding Toronto?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, there is no precise authority within the Act for that to be done. As my colleague, the Minister of Transport, has indicated, it is a matter to which we are beginning to address ourselves. There are other areas of Canada which have shown an interest in this matter and in the context of setting proper urban objectives we will not exclude it from consideration.

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CANADIAN NATIONAL RAILWAYS

REDUCTION OF PASSENGER SERVICE IN NORTHERN ONTARIO—SUGGESTED HOLDING OF PUBLIC HEARINGS BY TRANSPORT COMMITTEE

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, I wish to direct a supplementary question to the Minister of Transport relating to rail services in Northern Ontario. Following the strong representations by all Northern Ontario M.P.'s requesting that the Transport Committee hold public hearings in northern Ontario in order to assess the implications of the CNR's decision to reduce its passenger service and in order to study the whole question of rail services, is the minister now prepared to say whether he will authorize the committee to hold such hearings?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, far be it from me to say what I can authorize the committee to do. Surely the committees of the House are pretty well autonomous in this regard. The Transport

Committee will have a reference from the House of the estimates of the department and also of Canadian National within a very short time, and I assume any decision members of the committee make in this regard would be conveyed to me.

[*Later:*]

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, I wish to direct a question to the President of the Privy Council. In view of the fact that when trains Nos. 7 and 8 were taken off no representations to the CTC were provided for in the format adopted, would the President of the Privy Council be prepared to permit the Transport Committee to make a tour of the areas affected so that the communities which are being sadly affected would have an opportunity to make their case to a public body?

[*Later:*]

Mr. Doug Rowland (Selkirk): Mr. Speaker, my supplementary question is addressed to the Minister of Transport and also has to do with the cancellation of trains Nos. 7 and 8. Would he tell us if he himself is making representations to Canadian National in an effort to persuade them to reverse that decision in light of the numerous representations being received by members of this House?

Mr. Jamieson: Mr. Speaker, I can only reply that I hope hon. members opposite will get over their ambivalence. On the one hand they are asking me to keep my hands off the CNR when it appears desirable to do so, and on the other hand they are asking me to make representations to the railway. I have conveyed to CN on every occasion the representations made to me in this regard, and I feel that is as far as I can go.

Mr. Speaker: Order, please. I suggest to hon. members that the supplementaries on the first question asked by the hon. member for York-Simcoe have only a distant relationship to the first question. I do not think these questions should be asked as supplementaries. For the moment the Chair will recognize the hon. member for St. John's West.

ST. JOHN'S, NFLD.—REFUSAL TO PAY EMPLOYEES UNABLE TO WORK BECAUSE OF SNOW STORM

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I wish to direct a question to the Minister of Transport relating to action taken by the CN at St. John's, Newfoundland, whereby they refused to pay 550 of their employees who were unable to go to work because of a severe snow storm. Would the minister have an investigation carried out with a view to correcting the situation?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will make inquiries and I will convey to the hon. member the views of the CN on that matter.

Inquiries of the Ministry

EXTERNAL AFFAIRS

GEORGES BANK—ISSUE OF OIL DRILLING PERMITS BY CANADA PRIOR TO AGREEMENT WITH UNITED STATES ON INTERNATIONAL BOUNDARY

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. In view of the fact that the results of seismic surveys in the Georges Bank area are being compiled, can the minister state if Canada will issue oil drilling permits for the Georges Bank area before an agreement is reached with the United States on the median line issue?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I would like to take that question as notice since it is a very technical one.

Mr. Crouse: Mr. Speaker, may I ask a supplementary question at this time. Since Canada's position is well known, our interpretation of the international boundary being the median line, can the minister say what is the United States position?

Mr. Sharp: Mr. Speaker, I will be very happy when answering the first question to give an answer to that also.

NEGOTIATIONS WITH FRANCE RESPECTING TERRITORIAL LIMIT OFF SOUTH COAST OF NEWFOUNDLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, while we are on this subject may I ask the Secretary of State for External Affairs if he is in a position to report to the House what recent initiatives have been taken with the government of France to resolve our treaty problems with that country with respect to the territorial limit off the south coast of Newfoundland?

Mr. Speaker: Order. I would not think this is a supplementary. It might be asked as a related question, but at the moment I believe the hon. member for Gander-Twillingate has a supplementary.

Mr. McGrath: Mr. Speaker, I rise on a point of order. With great respect I think the question is supplementary, but even if the question is related I think the minister should be allowed to reply to it.

Mr. Speaker: Order, please. That is the hon. member's opinion but the Chair has reached a judgment decision, and that is the decision I have made. The hon. member for Gander-Twillingate.

GEORGES BANK—CANADIAN RESPONSE TO UNITED STATES POSITION

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I was going to ask the Secretary of State for External Affairs what response the Canadian government gave to

the United States position on Georges Bank, namely that the U.S. government does not acquiesce in or recognize the validity of permits or other authorizations issued by the government of Canada to explore or exploit the natural resources of any part of the Georges Bank continental shelf.

Mr. Speaker: Order, please. Again I have the impression that the question asked by the hon. member is related to the same extent as that which was asked by the hon. member for St. John's East. It might be a solution to the problem if the minister were allowed to reply to this question and the hon. member for St. John's East were allowed his as a supplementary to it. The question of the hon. member for Gander-Twillingate has been asked and perhaps the minister should reply.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I will be very happy to try to reply to both of these related questions. With respect to the last one asked by the hon. member for Gander-Twillingate, this would be the natural position for the United States to take, just as it would be for us if we disputed the claims of the United States. We would take the same position. I do not think it is unusual. I shall find out what reply we made to this particular contention and report at the same time as I reply to the other question.

As to our discussions with France they have been proceeding on and off. I am not quite sure whether they are now on or off, but they continue.

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INDIAN AFFAIRS

BRITISH COLUMBIA—LOSS OF EMPLOYMENT BY FISHERMEN—PLANS FOR ASSISTANCE

Mr. Frank Howard (Skeena): Mr. Speaker, I would like to direct a question to the Minister of Indian Affairs and Northern Development. Inasmuch as upwards of 100 fishermen, and that is a conservative estimate, of Indian origin on the west coast have been pushed out of the fishing industry this year because of a variety of reasons, can the minister declare or announce what plans his department has to alleviate and help in that situation?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, evidently the problem is extremely complex. The up-dating of fishing fleets to conform with the new policies of the Department of Fisheries and Forestry on the west coast raises a very serious problem. However, we make financial assistance available to Indians so that they may compete in this market. As far as redundant manpower is concerned, general programs have been set up to find other jobs for them or to train them for other fields of employment.

[*English*]

Mr. Howard (Skeena): Mr. Speaker, I think it was a month ago today that the Minister of Fisheries said that a new financing program would be operated through the Indian Fishermen's Assistance Board. What I am asking is whether the minister can announce the details of that program so that the Indian people will know where they stand?

Mr. Speaker: Order, please. I suggest to the minister and to the hon. member that this is the kind of statement that should not be made by way of an answer to a question. The minister might indicate if he would be prepared to give an answer by way of a statement on motions.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I am not in a position to tell the hon. member when we will be prepared to make a statement in this regard.

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[*English*]

PUBLIC WORKS

DEVELOPMENT OF CHURCHILL TOWNSITE

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Public Works. Have he or the officials of his department had an opportunity recently to confer with officials of the Manitoba government in relation to the future development of the townsite of Churchill and, if so, can the minister advise the House what progress is being made?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, we have had a series of consultations with the government of Manitoba and with Premier Schreyer personally. It would be my hope and expectation that we could look forward to an agreement with the province of Manitoba at a fairly early date.

* * *

[*Translation*]

HOUSING

READJUSTMENT OF INTEREST RATES ON HOUSING MORTGAGES ALREADY IN EFFECT

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to put a question to the Minister without Portfolio responsible for the Central Mortgage and Housing Corporation.

In his speech the other day, the minister stated that the rate of interest on housing loans had been lowered to 7¼ per cent. As most of the housing loans granted during the last few years bore interest at 9¼ per cent, does the minister intend to adjust the rate of interest on those loans accordingly or grant some kind of adjustment to the builders?

[*English*]

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I did not say that the residential mortgage

rate was 7¼ per cent. What I did say was that the CMHC programs, section 16, section 35, and other programs related to sewage treatment, land assembly, etc. have been reduced as of the day before yesterday from 7⅞ in one case and 8¼ in another to 7½ per cent. That is the federal government's direct lending program under those sections of the Act and it does not affect in anything but an indirect way the private market rate which is currently floating around 9¼ per cent to 9½ per cent.

MAXIMUM CMHC GUARANTEE ON HOME IMPROVEMENT LOANS

Mr. Walter C. Carter (St. John's West): May I direct a supplementary question to the Minister without Portfolio in charge of housing, Mr. Speaker. In view of the rapid deterioration of housing quality in many Canadian centres, can the minister tell the House if the government is thinking of increasing the maximum amounts guaranteed by CMHC with respect to home improvement loans in order to cover the rising cost of building materials and labour?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we made amendments to the National Housing Act in June, 1969, permitting loans for the purchase of existing housing and the rehabilitation of existing housing. In those cases provision was made for a maximum mortgage loan of $18,000. We are increasing the funding of our direct program through CMHC to encourage that kind of activity. I referred to that in my comments the other day and also in answer to a question from another hon. member.

REDUCTION OF INTEREST RATE ON DIRECT LOANS BY CMHC

Mr. John Gilbert (Broadview): A supplementary question, Mr. Speaker. Perhaps I should direct it to the Minister of Finance inasmuch as he is over here obtaining advise from my leader.

Some hon. Members: Hear, hear!

Mr. Gilbert: May I direct my question to the Minister without Portfolio responsible for housing.

An hon. Member: The Minister of Finance has returned to his seat.

Mr. Gilbert: Is it the intention of the minister to reduce the interest rate on direct loans presently being made by CMHC?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we made a reduction within the last six or eight weeks. It was a slight reduction. As soon as it seems possible to do so, it will be my desire to lower it again. The rate currently stands at 9¼ per cent.

Inquiries of the Ministry

AIRPORTS

STE. SCHOLASTIQUE—NUMBER OF JOBS TO BE CREATED

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to direct a question to the Minister of Transport.

Two weeks ago the minister told me in his reply that he was not aware of the figures quoted by a Quebec organization on the number of jobs that will be created by the Ste. Scholastique complex. I would like to ask him whether he has checked those figures and if that project is still capable of providing 75,000 new jobs?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I think I answered that question reasonably fully on the last occasion by saying that both sets of figures, the ones that were presented by the officials in the first instance and the ones that have subsequently come to light from other agencies, were estimates. I have asked the officials to take another look at them to see whether they can be refined further. They are only estimates, and I think it is fair to say that one set could probably be defended every bit as well as the other.

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AIR TRANSPORT

RECOMMENDATIONS AFFECTING TRANSPORT DEPARTMENT AND AIR CANADA FOLLOWING INQUIRY INTO DC-8 CRASH

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I direct a question to the Minister of Transport. Since the board of inquiry which investigated the crash of the DC-8L jetliner in Toronto was critical of the Department of Transport and Air Canada, would the minister undertake to make a statement on motions assuring us that those recommendations which were announced by the inquiry are being considered and in fact incorporated?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. I think the hon. member ought to have completed his comments by saying that there were references to several other agencies besides Air Canada and the Department of Transport. To the extent that the recommendations apply directly to DOT, we accept those without qualification. We are seeing what can be done now to implement those recommendations. On the broader question, the whole issue is being examined and I will report to the House when we have arrived at conclusions.

Mr. Mazankowski: Mr. Speaker, in view of the minister's statement the other day, in which he suggested that he had no doubt about the airworthiness of the DC-8L jetliner, are we to assume that the criticism in the report recommending a redesign of the engine to wing assembly

and the recommendation with respect to improvements of the landing brake system are to be ignored?

Mr. Jamieson: No, Mr. Speaker.

Mr. Speaker: Order, please. I will allow the minister to reply to the question because of the delicacy of the matter. I think that normally such a question would be ruled as being argumentative. Perhaps the minister should be allowed to reply to the question.

Mr. Jamieson: Thank you, Your Honour, for your consideration, because it is a matter that I would not want held in abeyance. My statement was very carefully worded, and I repeat it now. We are completely satisfied about the airworthiness of this particular aircraft, if the operating manual and instructions are followed. I think that is simply reflecting the views of Mr. Justice Gibson.

On the larger question, we conveyed the findings to all appropriate parties in the United States. As the hon. member and the House will appreciate, this question is one that has to be negotiated internationally, because it is not simply Canadian aircraft that are involved or Canadian aircraft which are flying over Canada. I want to emphasize that the airworthiness of the aircraft is not in question provided proper procedures are followed. It is my information that they are now being followed to the letter by all Canadian carriers.

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HOUSING

WYNYARD, SASK.—STATUS OF PROJECT

Mr. John Burton (Regina East): Mr. Speaker, may I direct a question to the minister in charge of housing. In view of the housing capital budget announced by the minister this week and in view of the visit tomorrow by the minister to Wynyard in Regina East constituency, would the minister indicate if he will have any welcome news for the people of Wynyard on the ten-house project they have been trying to obtain for the past five years?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I am very appreciative of the reminder. I will do everything I can to get the appropriate information on that particular project at this time.

SASKATCHEWAN—ACTION TO INCREASE STARTS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, may I direct a supplementary question to the minister responsible for housing. Since Saskatchewan received only 2 per cent of the total federal public works spending in 1970, and since the number of housing starts fell from 4,425 in 1969 to 993 in 1970, what special action has the minister taken to rectify this situation?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I apologize to the hon. member, but I missed the first part of his question.

[Mr. Mazankowski.]

Mr. Speaker: Order, please. Perhaps the minister might take note of the question and reply at some other time. There are only a few minutes left in the question period.

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CANADIAN TRANSPORT COMMISSION

SUGGESTED TRANSFER OF RESPONSIBILITIES TO HOUSE COMMITTEE

Mr. Joseph-Philippe Guay (St. Boniface): Mr. Speaker, I have a supplementary question for the Minister of Transport inasmuch as this matter was dealt with a while ago. It is of great concern to western Canada and pertains to the Canadian National, and the problems of railways generally. May I ask the minister if he would give consideration to the possibility of dissolving the Canadian Transport Commission and giving the responsibilities of the commission to the Standing Committee on Transport and Communications of the House?

Some hon. Members: Hear, hear!

An hon. Member: Agreed.

Mr. Speaker: The hon. member has made a representation. He must assume that it will be considered.

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POST OFFICE

GOVERNMENT OFFER TO FORMER LAPALME DRIVERS

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, may I direct a question to the Minister without Portfolio in charge of the Post Office. Would the minister please make a statement on motions, informing this House exactly what offer the government made, other than the offer of the Prime Minister which was refused, to the Laplame drivers?

Some hon. Members: Oh, oh!

Mr. Paproski: I do not consider this to be funny at all. I should like to know what was offered. I should like the minister to explain to the House exactly what the offer was and why it was refused.

Hon. Jean-Pierre Côté (Minister without Portfolio): I think, Mr. Speaker, that this matter is too important for us to make fun of it. I am ready at any time to table the last proposals that were made to the Lapalme boys.

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SHIPPING

PROMULGATION OF REGULATIONS AFFECTING SHIPYARDS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. In view of the govern-

ment's interest in the subject of unemployment, and in view of the fact that shipyards have had to lay off some of their shipwrights because the minister's department has not promulgated regulations with respect to the program announced over six months ago, will the minister make efforts to see that those regulations are promulgated so that the shipyards can get on with their work?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I think my hon. friend is referring to the support for exports.

Mr. Comeau: No. I am referring to the program that was announced by the Minister of Fisheries and Forestry, which affects the minister's department.

Mr. Pepin: I have seen the regulations. I thought they had been issued. I shall look at this matter again.

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NATIONAL PARKS

WOOD BUFFALO AND GLACIER—TERMINATION OF LOGGING LEASES

Mr. Randolph Harding (Kootenay West): Mr. Speaker, may I direct a question to the Minister of Indian Affairs and Northern Development. Has the minister's department, in line with parks policy, tried to buy up or terminate the logging leases at present in force in Wood Buffalo National Park?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, these are the only logging rights in a Canadian national park. We do not intend at this time to buy them up since we are negotiating with the Alberta government with a view to exchanging this area for a region in southern Alberta which might well become a most interesting national park.

[*English*]

Mr. Harding: Mr. Speaker, has the department completed the buying up of timber berths in Glacier National Park?

[*Translation*]

Mr. Chrétien: I am not sure, Mr. Speaker, but I think we have managed to buy back all logging rights in the national parks of the Rockies.

[*English*]

WOOD BUFFALO—PLANS FOR REFORESTATION—AGREEMENT ON EXCHANGE OF LAND

Mr. Paul Yewchuk (Athabasca): A supplementary question for the Minister of Indian Affairs and Northern Development. Actually, I have two questions. First, is his

department planning to proceed with the reforestation program in the park? Second, when does he contemplate that agreement with the government of Alberta will be reached on the exchange of land that he mentioned?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, these two problems are complementary. If we make an exchange with the government of Alberta, the latter should initiate the reforestation program in the park. However, we are awaiting results of the negotiations and I cannot tell the hon. member when they will be conveyed to us.

* * *

[*English*]

TRADE

PROFIT BY ITALIAN SPECULATORS ON RESALE OF CANADIAN BARLEY

Mr. Cliff Downey (Battle River): I have a question for the Minister of Industry, Trade and Commerce. Does the minister have any knowledge and, if so, can he tell the House the approximate profit per ton that Italian speculators are making on the resale of Canadian barley?

Mr. Speaker: Order, please. The hon. member is asking for information which normally should be sought by way of a written question. Unless there is urgency, the question in those terms cannot be accepted.

Mr. Downey: A supplementary question. Can the minister state whether the mass exodus of the cabinet to Saskatchewan is what the grain farmers of western Canada can expect—

Mr. Speaker: Order, please.

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CANADIAN PACIFIC RAILWAY

ACTION RESPECTING CLOSURE OF STATION AGENCIES IN SASKATCHEWAN AND ALBERTA

Mr. Lorne Nystrom (Yorkton-Melville): I have a question for the Minister of Transport. Is the minister taking any initiatives as the result of protests concerning the closure of 56 CPR station agencies and nine caretaker agencies in Saskatchewan and Alberta which was recently authorized by the Canadian Transport Commission?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will have to take the question as notice as to specifics. I know that there has been some action within the past week or so. I understand this is one of the matters I may be discussing with the government of Saskatchewan over the weekend. I am told that I will be going to Yorkton, so I will give the hon. member's regards to his constituents.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed from Tuesday, February 9, consideration in committee of Bill C-207, respecting the organization of the government of and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: When the committee rose on Tuesday, February 9, clause 6 of the bill was under consideration. Clause 5 of the bill had been allowed to stand with the amendment of the hon. member for Kootenay West. Is the committee ready for the question on clause 6?

On clause 6—*Protection of environmental quality.*

Mr. Howard (Skeena): Mr. Chairman, I want to raise a matter, not by way of a point of order, but as an objection. At this stage we are dealing with clauses 5, 6 and 7, the proposition to establish a department of the environment. It has been announced that this new department will be headed by the present Minister of Fisheries and Forestry and with the passage of this bill and the establishment of this new department, the Department of Fisheries and Forestry will disappear. I think it is incumbent on the government, because of the importance it attaches to this proposal to set up a department of the environment, to have the Minister of Fisheries and Forestry here. He is the person who is to head up this new department; he has been chosen by the government for that purpose. It is unkind of the government—

• (12:20 p.m.)

An hon. Member: Discourteous.

Mr. Howard (Skeena): Discourteous, of course; but I was being generous and gentle today, as I always try to be, though dealing with an insensitive government it is difficult to achieve this objective consistently. Certainly, though, the government owes it, if not to Parliament, then at least to the Canadian people, to see that the minister charged with heading the new department is here to deal with the subject from his point of view.

I know the President of the Treasury Board will not accede to this request. If he had felt any sensitivity about it, either he or the Acting Prime Minister would have seen to it that the Minister of Fisheries and Forestry was here to handle this matter himself.

Mr. Drury: Perhaps I might comment on the last remarks made by the hon. member for Skeena. As he is, I believe, aware, the Minister of Fisheries and Forestry has attended—

The Chairman: Is the minister rising on a point of order? It was the understanding of the Chair that the minister was rising on a point of order. If I am in error the hon. minister might so indicate.

[Mr. Jamieson.]

Mr. Drury: I would find it difficult to classify this intervention as a point of order, so I shall wait.

Mr. Howard (Skeena): Then, it obviously has no substance.

Some hon. Members: Oh.

Mr. Howard (Skeena): The minister rises to say something, and the only way he can do that is by way of interruption or by way of a point of order or a question of privilege. He declines to pursue the matter in that way. I would not object if he wished to make some statement. Indeed, I am ready to yield the floor so that he might do that.

I see he is not interested.

Mr. Drury: I am. It is just that I find it a little difficult—

The Chairman: Do I understand from the hon. member for Skeena that he is prepared to yield the floor to the minister at this point?

Mr. Howard (Skeena): That is what I said.

The Chairman: There was some confusion about the point of order. I understood the hon. member to say that.

Mr. Drury: I believe the hon. member is aware that the Minister of Fisheries and Forestry has attended up to the present the discussions in the House on part one of the bill.

An hon. Member: That is not so.

Mr. Drury: He had intended to be here for the continuation of this debate, but I regret to say that because of difficulties in making travel arrangements he is not here this morning.

Mr. Howard (Skeena): It would have helped a great deal if that explanation had been made earlier. Presumably, this leaves us in the position of having to proceed with our consideration of the bill while awaiting the minister's appearance. He may be here later today. I understood the minister to say he encountered travel problems this morning. Perhaps this afternoon he will be here, and able to deal with some of the matters with which we are concerned.

I should like to make reference apropos to what is sought by this particular clause, to the statistical information which was provided yesterday about levels of unemployment, and the degree to which those figures were distorted by the government. I should like to mention how this sort of distortion and flavouring of the statistics relating to the number of people unemployed is used to cover up the real seriousness of the situation. Yesterday, as I understand it, statistics were issued by

the Department of Manpower, by the Unemployment Insurance Commission and by the Bureau of Statistics, all three of them agencies of the government, giving separate and different statistical information. Frankly, I think each one of them either deliberately or accidentally underestimated the number of unemployed in the nation. I mention this only to counterbalance what the Minister of Labour said on a previous occasion when the figures were not accurate—

Mr. Drury: On a point of order, Mr. Chairman. It is my understanding that we are dealing with clause six. I hope we are not rehashing yesterday's budget debate.

The Chairman: The Chair was listening to the hon. member for Skeena. I thought that he intended, very rapidly, to relate his opening remarks to clause six.

Mr. Howard (Skeena): I do not think the President of the Treasury Board is out of line. He is correct. We are considering clause six. I heard you say that myself, Mr. Chairman. I should have thought the government would have shown some concern about unemployment by operating under the terms of this clause. I believe my remarks are germane and to the point. Let me read the clause:

> The Minister of the Environment—shall (a) initiate, recommend and undertake programs and co-ordinate programs of the Government of Canada which are designed to promote the establishment or adoption of objectives or standards relating to environmental quality or to control pollution;

Surely, sufficient is involved in these activities to enable us to relate embarking on undertakings of this sort to the fact that we have the highest level of unemployment experienced in this nation for many years. Obviously, by objecting to the course of my remarks, the President of the Treasury Board indicates that the government has not thought clearly about this subject. It is my contention that this should be an aspect of government activity; in other words, efforts to control pollution can also be used as a means of finding employment. It could be done under this particular clause. We could save our environment and, at the same time, save our own people. I am sure no one on the government side would object to my advocating a program of this sort, even though the President of the Treasury Board did not seem to think that the application of the clause could have the effect I am suggesting.

As I was saying, large numbers of people are not included in the unemployment statistics though they are, in fact, unemployed. I have heard figures of—

The Chairman: I say to the hon. member, with respect, that I have listened to his explanation of the manner in which he proposes to relate his remarks to clause six. I gave him the benefit of the doubt because there was, I thought, some relationship, but I should like to say to the hon. member that we should not transgress too far upon such a thin thread of relevancy.

Mr. Howard (Skeena): I have great admiration and respect for your instructions as to how the rules should be applied, Mr. Chairman, but, with that respect, I suggest I have heard figures ranging between 75,000 and 100,000 people in connection with those who are undertaking retraining programs administered by the Department of Manpower. They are doing so in the hope that they will learn a new trade which will better fit them to become employed within the economic structure. What I am saying is that here is an area for worthwhile activity, namely, the training of our people to prepare them for work in pollution control where they may help to save our environment. With great respect, Mr. Chairman, I do not think this is any tenuous thread or that it is incompatible with the terms of clause six.

I refer to the clause again. It provides that the minister of the environment shall initiate, recommend and undertake programs relating to environmental quality or the control of pollution. In the course of doing so he is to co-operate with provincial governments, agencies or any bodies, organizations which have similar objects. This presents a clear opportunity for the government to do something worthwhile in the field of environmental control. It is in these circumstances that I referred to the numbers of people who are undertaking these manpower training programs, indicating, as an aside, that these people had been left out of the Minister of Labour's explanation of what was contained in the unemployment insurance statistics.

Let me tell the committee that we might well employ some of the native Indian people in this field. Many of them have a greater experience of the natural part of life than do a lot of the people who live in cities. After all, the streams, lakes and forests of our land are their environment. We could embark on an excellent program of environmental control by using people who are of Indian origin. Their cultural background fits them to understand environmental control easily. Moreover, there is, as hon. members know, an exceptionally high amount of unemployment among the Indian people. Let me put a statistic or two on the record. These statistics result from a survey of the native Indian population by the Department of Manpower and Immigration in the Pacific region for the fiscal year 1970-71—just last winter. The survey showed that in the Fraser Indian Agency, which covers the lower mainland and up into the Fraser River, New Westminster and that area, 19.3 per cent of the work force of Indian people was unemployed. This was one year ago. The government is talking in terms of a 6 per cent or 6.2 per cent average throughout the nation, yet one year ago unemployment in one Indian agency in British Columbia was three times that amount. On the west coast, I take it in the area represented in part by my hon. friend from Comox-Alberni, during the same winter 23 per cent of the Indian people in the Campbell River region were unemployed.

• (12:30 p.m.)

In the area represented by my hon. friend from Kamloops-Cariboo, in the Indian agencies of Kamloops, Nicola and Lytton in the central region of British

Columbia, agencies that are covered by the Canada manpower centre at Kamloops, the percentage of the labour force unemployed was 44.3 per cent. The whole range of statistics just for the province of British Columbia alone gives a similar picture.

Inasmuch as this statistical information was available to the government, to the manpower department and to the Department of Indian Affairs and Northern Development one year ago, there should have been developed some kind of program with regard to environmental control of pollution. These programs would have given these people some gainful and meaningful work, and by the same process enabled them to contribute something to the quality of life in Canada.

Last night the Minister of Regional Economical Expansion took part in the budget debate and recited a number of programs that his department was planning in this particular area. I submit that this was simply window dressing. If the minister is really concerned about this sort of thing, then clause 6 of the bill gives him an opportunity to do something about it. It gives him the opportunity to initiate programs or to co-operate with other agencies in similar objectives. I am sure that the Department of Manpower and Immigration has a similar objective with regard to environmental matters as that proposed by the department of the environment itself. If there is one area in which co-operation might more easily be had than any other area, it is between two departments of the same government, two structures in the federal area, each of which has a constitutional authority to involve itself in this sort of activity.

As I say, the speech of the Minister of Regional Economic Expansion was window dressing, and if you read between the lines you will find that he is not seriously concerned about tackling environmental questions, about using the opportunity available to us through this sort of government activity to put people to work and to help save the nation from ecological destruction.

Let us examine what the minister said last night in order to show how distorted a view of the situation he gave the House. The minister said that one of the great steps they were taking was that they had almost concluded—the government is at the stage of "almost concluding"—new ADA agreements with a number of provinces. I think he said particularly with some of the Prairie provinces. Under these new ADA agreements there would be ample opportunity to enable native Indian people on or near reserves, in co-operation with the provinces, to do something meaningful which would give them self-respect, instead of destroying that self-respect by welfare programs and by the high unemployment level that exists among our native Indian population.

That statement by the minister was false. It was false to the extent that it did not tell the whole truth. In order to show how shallow is the approach of the government to this whole question of improving the economy, I can say that almost one year ago the federal government signed a new five-year ADA program with the province of British Columbia. Under that program specific mention was made, among other things, of initiating programs for the employment of Indian people as well as programs for employment in the fishing industry; there was a companion activity. Even though that ADA agreement has been in existence for almost one year now, there has not been a single, solitary program put into operation of any help or benefit to a single, solitary person of Indian origin. So, when the minister stood up last night, as he did, and said that we were negotiating ADA agreements to help the native Indian people seek employment and the like, that was a falsehood.

The Chairman: Order, please. An hon. member wishes to ask the hon. member a question, but first of all may I say that the hon. member is wandering further than he should from clause 6. I would invite him to make his remarks germane to this clause. An hon. member is rising to ask whether the hon. member for Skeena would permit a question.

Mr. Howard (Skeena): Mr. Chairman, I will take my cue from the Minister of National Revenue last night who said he would be glad to answer any questions at the conclusion of his remarks. I, too, will be happy to do so at that stage.

May I say I did not intend to wander. My intention was deliberately and consciously to suggest the course that this government should follow. In view of the earlier intervention by, and lack of imagination of, the President of the Treasury Board, it is obvious that the government has no intention of involving itself in this area. However, I submit it is possible for the government to do so.

One area in which the government should become directly involved through the activities of this department is in municipal sewage treatment plants, to use that for the purpose of argument. Many municipalities in this nation do not have the financial base or resources to build their own. They are up to ears in debt and are unable to get additional funds so they can embark upon a thorough program of sewage treatment within their municipal boundaries and thus curtail pollution of the environment that comes from that source.

This is an area in which the government could easily involve itself by making money available to the municipalities. I realize that the Minister of Finance, both yesterday and on other occasions, gloatingly referred to the $16 million loan fund that has recently been established as a base for a make work type of project to the provinces and the municipalities. But I submit that $160 million is not very much in view of the job that we have to do to preserve our environment.

In order to put this question into some reasonable perspective, I should like to relate the generous way in which the Canadian government has looked in the past, indeed even today, upon situations in other countries. Take, for example, the attitude that Canadian governments have adopted towards lesser developed nations like Argentina, Greece, India, Pakistan and a couple of dozen others. Let me point out the extent to which Canada has lent money to these countries. I am not disagreeing

with the necessity for using what resources we have and can afford to assist other nations that are less well off than we are to enable them to increase their economic standard of living and quality of life; I mention this only in the context of what we should be doing for our own municipalities.

The Chairman: Order. I regret to interrupt the hon. member but the time allotted to him has expired. The hon. member for Skeena did indicate that he would accept a question from the hon. member for Coast-Capilano. Does the committee give unanimous consent?

Some hon. Members: Agreed.

• (12:40 p.m.)

Mr. St. Pierre: I listened with great interest to the hon. member's remarks concerning Indian reserves in British Columbia, and I know that the facts are as he states them. My question is, in view of the fact that the ADA agreement requires that initiative shall begin with provincial governments, and since the B.C. government resolutely refuses to take any initiative on behalf of Indian reserves anywhere in B.C., how can the member properly criticize this level of government when it is the other one which is refusing to assist the Indian reserves?

Mr. Howard (Skeena): Mr. Chairman, I would point out to my friend, the hon. member for Coast Chilcotin, my appreciation for putting this different dimension on what I was saying. It was not I who raised the ADA agreement, it was the Minister of Regional and Economic Expansion. Last night he said this was the valuable way his government and his department intended to tackle the problem. That is why I said he spoke a falsehood last night because he knows very well that no ADA agreement is going to provide these things. I just wanted to put this in context. I thank my hon. friend for pointing out how inept and calculatedly false the minister is.

An hon. Member: You didn't answer the question.

Mr. Barnett: Mr. Chairman, the hon. member for Skeena raised some questions that obviously require answers from the government. If we are being asked to establish a department of environment, Parliament should know what this department is going to do. We want to know whether there is any meat or substance to the powers conferred on the new ministry, and whether there will be the kind of authority which is being asked of Parliament in this particular case. We want to know whether there is going to be any meat or muscle in these words relating to the initiation of programs to improve the environment.

If the Minister of Fisheries and Forestry were here today, I am sure he would be in a position to confirm what I propose to say about one example of the kind of concrete step some of us think the government should take if the department of environment is to really perform the function the hon. member for Skeena mentioned in connection with the state of the fishing industry in British Columbia.

The clause we are dealing with makes reference to the fact that this minister has the authority, once this bill becomes law, to work in co-operation with other agencies, including provincial governments. I am sure the Minister of Fisheries and Forestry is as well aware as I am of the close interrelationship between industrial activities of the forest products industry in British Columbia and his responsibilities as the minister of fisheries. He must realize that what has been happening in British Columbia over a period of time has created a situation, and if we are going to restore and maintain the environment something of the order of $100 million will be required to bring the streams in British Columbia back to the level of potential production of salmon they enjoyed in their natural state.

As my colleague said, the Minister of Fisheries and Forestry is not present at the moment. Undoubtedly, the President of the Treasury Board is assuming some responsibility for putting this bill through the House. I am sure he is familiar with the spending programs of the federal government. Perhaps he is the appropriate minister to answer some of these questions and to inform the House whether, if we give this power to a new minister, this department will be anything more than simply parliamentary window dressing.

This is the kind of information we should have. We should be informed about the effects of these programs on unemployment, and I have in mind particularly those people who are relatively unskilled in an industrial society. Many Indians possess skills which could usefully be put to work carrying out these programs. Is the government going to put $100 million into the hands of the minister of environment in order that he might actually do something to improve the situation on the coast in relation to the environment in that part of Canada which was very productive in respect of Pacific salmon when it was inhabited only by Indians? This is the kind of question I think is germane to the discussion on this clause of the bill. Some spokesman, on behalf of the government should be in a position to provide real answers before we put the seal of parliamentary approval on this proposed measure.

I am sure that the whole question of preserving the environment in other parts of Canada is equally as important. It probably requires the same kind of financial muscle that is required to effectively deal with the deteriorating situation of the natural environment on the Pacific coast. Even though we are doing away with the fisheries part of the department's name, the minister does have responsibility for the sea coast and inland fisheries which the department of fisheries heretofore held. Let me emphasize the relationship between the proposal in this clause of the bill and the importance of useful and productive work. A fundamental question is involved which should be answered by the government before we pass this clause.

Mr. Harding: Mr. Chairman, I listened with a great deal of interest to the two preceding speakers who dealt with clause 6. This is one of the key clauses in the bill. We are told that this government is going to initiate, recommend and undertake programs, and co-ordinate programs which will be designed to promote the establishment or adoption of objectives or standards relating to environmental quality, or to control pollution. We are told that the government is going to promote and encourage the institution of practices and conduct leading to the better protection and enhancement of environmental quality.

We have not heard from anyone on that side of the House how the government intends to do these things. We are not holding up this legislation. The House of Commons is entitled to this information. We are fed up with this passing of permissive legislation which is never complied with by the department concerned. Someone on that side of the House should get up and tell the House of Commons is a crystal clear way what the government intends to do. Surely, the government has a number of programs lined up. Surely, it has a number of projects in mind for various provinces in Canada. Surely, someone in the government should tell us how the government intends to tackle these problems and how much money it intends to spend. How is the government going to approach the over-all problem of pollution which exists in Canada today? I agree with the two preceding speakers who have said we have had absolutely no word from the government in this regard. We should have some information before this clause passes.

• (12:50 p.m.)

But there is something else with which I want to deal which is, in my opinion, vital so far as this legislation is concerned. If those who are interested in environmental standards would look at clause 6 and read to the last line on that page, they would see that it refers to promoting the establishment or adoption of objectives or standards relating to environmental quality, or to control pollution.

Before I sit down I will move an amendment that we make these national objectives our standards. This is what we are after. I have gone through a number of speeches which the minister has been giving from one end of Canada to the other within the past four or five months. He is always talking about national standards. I am going to suggest to the government that if they are interested in national standards, then let us put them in the bill. Reference must be made to them in the legislation which is currently before the House. If the government does not do so, it will be a clear indication, just as we had in the Canada Water Act, that there will be a hodge-podge of standards from one end of Canada to the other, and this we do not want. I want to point out that the minister, himself, has been preaching this idea of national standards which he took from us last year. If this is the philosophy of the new department, then it must be spelled out in the legislation. We are going to insist that it be incorporated there if we can persuade the government that this is what their requirements should be.

I should like to point out the need for national standards. We have gone over this I do not know how many times. If there are no national standards, pollution havens will form from one end of Canada to the other, and the public of Canada do not want pollution havens. The public of Canada do not want one province in Canada to have lower standards than another, thus giving it an opportunity to attract industry. Last year at the federal-provincial conference a number of provinces made submissions to the government. One of their biggest worries was that if national standards are not written into legislation, encouragement would be given to big companies, such as pulp mills, to say to one province that unless it keeps its standards down, the company will move to another province where the standards are lower. This is not what we want. We are fighting pollution in this country, and for goodness sake let us act as sensible politicians in the House. Let us draft legislation which will tell these potential polluters that we do not care where they go because all parts of Canada will be protected. We will not give one part of Canada an advantage over another by allowing a hodgepodge of different standards which can only result in pollution havens. We seem to have a great deal of difficulty in getting this idea home to the government.

I want to point out on this standards issue that two years ago the committee on national resources passed a unanimous report that national standards be established throughout this country. It is amazing to me that there are no members on the government side, who were members of that committee, supporting this report which was unanimously adopted by the committee. They should be telling the government what they want. It should not be left to members of the opposition to draw this to the government's attention constantly.

We have raised the problem of standards and, in a moment, I will move an amendment. Before I do so, I want to again mention the programs to which reference is made here. We will not solve pollution problems in Canada unless this government makes up its mind that vast sums of money will be set aside to tackle these problems. No minister of the Crown has risen to tell us where the government will find this money to carry out the program under consideration. What about the disgraceful mess which results from the fact that many of the big cities are dumping almost 100 per cent of their sewage into adjacent streams? We are told that CMHC has a limited amount of funds allotted to tackle the problem. We should be setting a time limit of five or seven years from in which to achieve our objectives. We should be letting the people of Canada know that when 1975 or 1980 roll around, we will make certain that every municipality in this country will have stopped dumping raw sewage into the waters of this nation. This, objective should be spelled out in the legislation. Then, we should provide funds to these municipalities, low cost loans, so that they can get on with the job of dealing with the sewage problem.

There is a host of other projects. What about the dozens of lakes and rivers that are polluted with mercury

where even now fishing is banned? If any fish are caught in those rivers they have to be destroyed. We have to buy that product and destroy it. How are we going to go about cleaning up this mess which we have allowed industry to create over the years?

I move, seconded by the hon. member for Regina Lake Centre (Mr. Benjamin):

That clause 6, subsection (a) of Bill C-207 be amended by adding thereto on page 3, line 1, the word "national", so that line 1 will read "or adoption of national objectives or standards".

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

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2 p.m.

The Acting Chairman (Mr. Richard): Order. When the committee rose at one o'clock we were considering clause 6, with an amendment thereto proposed by the hon. member for Kootenay West.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Chairman, may I ask the President of the Treasury Board if the Minister of Fisheries and Forestry will be here this afternoon? If we are going to approve the granting of certain powers to him, including authority to prepare certain programs, it seems we ought to have some information from him as to what those programs are.

It is true that the minister made an excellent speech in general terms on the question of pollution. But it was one of those speeches about motherhood and apple pie with which everyone agrees. No one likes pollution, and everybody thinks the environment has to be protected and the quality of life ought to be improved. Surely, the committee is entitled to some information as to what programs the government has in mind, what standards the minister proposes to set, and what general objectives he expects to attain. This kind of information can only be given to the committee by that minister.

May I also say that when we come to deal with Part II of the bill dealing with the Department of Energy, Mines and Resources we will certainly insist upon that department's minister being here, but that is merely an aside. Have we any hope that the minister of fisheries will be here this afternoon to deal with some of the questions raised by my colleague?

Mr. McGrath: Before the minister responds to that very important question, Mr. Chairman, may I say I think it is impossible for us to discuss this part of the bill or any proposed amendments without the Minister of Fisheries and Forestry being here. We experienced the same situation a few days ago, and at that time the President of the Treasury Board accepted a very useful suggestion to defer discussion of the amendment until the minister was present. I would ask him to take the same suggestion under consideration today. Indeed, Mr. Chairman, we could defer discussion on this part of the bill until the minister of fisheries returns, because I do not see how we can usefully discuss this part of the bill without him, and I say this with great respect to the President of the Treasury Board.

Mr. Drury: Mr. Chairman, obviously the passage of the bill would be very great assisted, and hon. members would be better informed, were the minister here. Unfortunately, I learned during the lunch hour that it will not be possible for the minister in question to get here this afternoon. If it is the feeling of the committee that it is important to have him here, then perhaps we should stand the remaining clauses of this part of the bill.

However, in respect of the requests for an indication of the standards that the minister proposes to set and the kind of programs he is going to have, I might just comment that this may not be an orderly way to proceed. What we are examining here is a structure within which the minister will be able to perform his duties, and we should be looking at the appropriateness of the structure rather than undertaking an examination of the programs.

The purpose of the legislation is to enable the minister to formulate, and present in the usual way, programs for dealing with the problems we face. The hon. member for Nanaimo-Cowichan-The Islands has said that the minister has already given a speech in which he indicated his convictions and beliefs generally. This legislation, coupled with the putting forward of programs in the usual way in the estimates, subject to review by a standing committee in detail, seems to me to be the orderly way in which to proceed toward the programs and an examination of them. If, however, it is felt that the committee could be substantially assisted by having the minister present, perhaps we could stand these clauses rather than waste time.

• (2:10 p.m.)

I might say in respect of the amendment now proposed, and I do not think, perhaps that the minister concerned needs to speak about it, that the present purpose of clause 6(a) is to initiate programs and to seek the adoption of standards and objectives in relation to pollution. A number of aspects of this environmental problem are exclusively matters for provincial jurisdiction. By adding the word "national" as has been proposed by the amendment, we should, in my view, considerably narrow the field of activity of the minister concerned. As the wording now stands, he is instructed by Parliament to concern himself with an endeavour to promote objectives and standards relating to provincial jurisdictions as well as to the federal jurisdiction. In my view, adding the word "national" would pre-empt or remove him from that particular field. I am not sure if the hon. member had that in mind. I gathered from his remarks that he wished for an extension of responsibilities in relation to jurisdiction rather than a narrowing.

There is no question but that the matter of the setting of national standards will be a preoccupation of the minister of the environment and should be a duty and responsibility. As the hon. member pointed out to the House, he has already indicated that this is his intention. However, by incorporating this phraseology in the section, we should, in my view, narrow this field and limit this responsibility. I hope that he will be authorized and, indeed, instructed, to concern himself in the establishment of standards in areas which are purely of local or nonfederal jurisdiction.

Mr. Benjamin: Mr. Chairman, I rise to support the amendment of my colleague, the hon. member for Kootenay West. I wish to say at the outset that I disagree with the remarks that the minister has just made. The minister said that setting national standards would limit the area in which this department would be able to work. I think the opposite would be the case. The desired result, I submit, could be brought about in one of two ways. One positive way of achieving standards would be to have the provinces, municipalities and territories of Canada, as a result of consultation and co-operation, agree to uniform national standards for the control of pollution and for the cleaning up of the mess that is prevalent in all parts of our ecology.

Failing that, there is another way of achieving national standards, but it is not as good. If we were unable to obtain a high level of standards after consultation with the provinces, and after all they are all concerned about the matter of pollution control, then it seems to me the federal government should give the country the kind of leadership the country expects. It ought to lay down national standards. I submit that no provincial premier, and no mayor of any municipality in the country, would dare to oppose those standards unless he wished to commit political suicide. I hope that the federal government has the imagination to accept this idea, which would meet the wishes and demands of the public of Canada. The government ought not to allow any of the little premiers or mayors, who act like Arab sheiks more concerned with their little "oildoms" than about their countries as a whole, to frustrate it. Actually, I have heard of no objections to national standards from provinces or municipalities. It seems to me that the demand for them is universal. Any suggestion that the amendment would limit the effectiveness of the federal minister, I think, begs the question. That is negative thinking and ignores the kind of responsibility the national government ought to exercise.

It would probably take about ten years to complete a program involving municipal pollution control. Under that program, every city in Canada, within a ten-year period, ought to be provided with not just primary and secondary sewage treatment facilities, but with tertiary treatment facilities which would recycle the water and provide drinkable water for the population. This program must be implemented from coast to coast. It must not be implemented merely by municipalities able to finance such projects. Neither must that program be undertaken only by provinces capable of undertaking it. There must be provision for all provinces and municipalities to receive some financial assistance. Obviously, pollution policies will be required.

May I, off the top of my head, suggest a formula which could be used. Perhaps the minister of the environment could make available 25 per cent of the cost of a project as a non-repayable grant; another 25 per cent would not be repayable if the work were done within a certain period of time. The remaining costs, if there were any costs to the municipality or province, would be financed by loans bearing interest of 3 per cent, 4 per cent or 5 per cent. I submit that such policies could be undertaken in a more orderly way under a federal authority. Also, the standards established ought to be national. I know of no municipality in Canada that would object, because such a program requires leadership and imagination on the part of the national government. Some municipalities or provinces may impose less stringent controls than others in the field of pollution. This must be stopped. I think that leadership from the federal government is required for those municipalities and provinces which might not live up to national standards.

May I now talk about industrial pollution? The federal authority, it seems to me, must have control in this area in order ensure that the costs of industrial pollution control are not passed on to consumers as price increases. Industrial polluters have profited for decades because they have not been forced to instal anti-pollution equipment which would have been costly. Having made those kinds of profits for a number of decades, I do not see why they should now continue. This would be unfair. I do not see why the law of the land cannot require the people involved to amortize the cost of anti-pollution equipment from profits over a given period of years. If a steel company needs to spend $50 million or $60 million on pollution control equipment, it seems to me that the shareholders of that company should take a reduction of 25 cents or 50 cents per share over a five-year period, say, because they were amply rewarded in the years when the corporation was operating without such equipment. It is in these areas that I think the national government ought to exercise some control and direction. The co-operation of all sectors will be needed if we are to cure pollution and prevent it in future.

For too long have too many officials of many governments in this country attempted to hide behind the British North America Act and to use that act as an excuse for not doing something or for avoiding responsibility. Surely, in this age when the Canadian people are mobile, there ought to be some leadership and direction from Ottawa in this area. In all fairness, there should not be limited standards or different standards as between one jurisdiction and other. The citizen of Montreal visiting Regina has just as much right to breathe clean air and drink clean water in Regina as he has in Montreal. He is a citizen of Canada, and the air and water of the country from coast to coast belong to the citizens of Canada.

Mr. Harding: Hear, hear!

• (2:20 p.m.)

Mr. Benjamin: We need national standards in the field of pollution control to prevent differences of this sort occurring. Surely, the jurisdictional argument for not doing something is no longer valid. It is time for this government to start acting and stop speaking. As my leader said a few moments ago, we have only had motherhood speeches. Everyone agrees we must do something about pollution. There is no argument on that. However, we want to know how, how much and when. We do not want a bill containing motherhood clauses that are so wishywashy and weak that the minister is unable to effect, enforce and ensure pollution control and the clean-up of our air and water.

I hope members opposite will support this amendment and persuade the minister to accept it. In that way, members opposite will not be constrained to vote against that amendment. I hope they will express some support for this kind of approach and this amendment.

Mr. Howard (Skeena): The President of the Treasury Board is always very meticulous and careful in his pronouncements. He always ensures that the language he uses is precise and does not lend itself to misinterpretation. Before lunch, the minister deliberately indicated something to the committee that was not in accordance with the truth of the situation. When we inquired before lunch about the whereabouts of the Minister of Fisheries and Forestry, the President of the Treasury Board stated that the minister was having some transportation difficulties and hoped to be here this afternoon. At the opening of the session this afternoon, the President of the Treasury Board stated he had learned over the lunch hour that the Minister of Fisheries and Forestry could not be here this afternoon. As regretful as that is, perhaps we should let the matter stand and proceed to another part of the bill.

I just had a conversation with some one in the office of the minister of Fisheries and Forestry. I was told, and I am sure that the President of the Treasury Board knows, that the Minister of Fisheries and Forestry, by previous decision of the cabinet, is in Saskatchewan today to take part in the opening of the winter games. Although the minister knew that this bill would be before the committee today, he did not bother to cancel his other engagements. Members of the cabinet are in various parts of Saskatchewan today, partly as a publicity program and partly in conjunction with the opening of the games. By direct instruction of the cabinet, the minister is in Biggar. He is scheduled to be in Regina tomorrow, then Moose Jaw, returning to Ottawa on Sunday.

I am sure that the President of the Treasury Board does not want to leave the impression with the committee that it was through accident or inadvertence that the Minister of Fisheries and Forestry was not able to be here. The President of the Treasury Board should briefly indicate the circumstances, so this country will know that the Minister of Fisheries and Forestry had no intention of being here today, although he knew the bill would be discussed because the Government House Leader indicated that this would be the first item today. Members of the cabinet knew that the Minister of Fisheries and Forestry would not be here today. It is not an accident, but a deliberate absence, and at a time when the minister should be dealing with public business. The President of the Treasury Board stated that, in dealing with the legislation before us, we should be concerned with the objectives and not the details. He stated that we should be concerned with the construction and the broad general outlines, not the specifics of the program. According to the minister, this is the orderly way to do things.

On previous occasions when the government has introduced legislation, it has misled the House by following courses of action not contemplated at the time which nullified the understanding the House had about the manner in which we would deal with that legislation. I wish to give an example of this. Amendments to the Fisheries Act dealt with in the last session contained the provision that before industry could get approval to build a new plant, it had to file with the minister or the department plans and specifications for pollution and environmental control measures. The purpose was to ensure that the provisions of the Fisheries Act were followed by the industrial plant. Because this was a matter of public concern, an undertaking was given that the plans and specifications would be available to the public so that they would be aware of what the industry planned to do in terms of meeting the general objectives of the Fisheries Act.

Yesterday, I moved a motion for the tabling of plans and specifications submitted to the Department of Fisheries and Forestry pursuant to the Fisheries Act relating to pollution control and engineering matters. These Plans related to the Buckley Valley Forest Industries Limited proposed pulp mill in Houston, British Columbia. Contrary to the intent of the act, the parliamentary secretary stated that the government had no intention of making them public or disclosing this information. He stated that the plans and specifications are the private property of Buckley Valley Forest Industries Limited. The intent of the law was to do the opposite.

The President of the Treasury Board has now asked us to follow the same procedure, namely give blanket approval to the vaguely worded bill before us and leave the implementation of it to the cabinet. Then, the minister could deal with these plans in secret, keeping the public from knowing what is taking place other than what might be revealed in press releases issued from time to time.

• (2:30 p.m.)

I have read a press release of the Minister of Fisheries and Forestry and have heard him when he was interviewed over television. As far as the Minister of Fisheries and Forestry is concerned, speaking for argument's sake now about the pulp mills in particular, the hon. gentleman expressed the opinion that any water used in such a project should be kept within the plant; that pulp

mills should be required to operate a recycling process so that they poured no water back into the river, lake or stream systems of the nation. These pulp mills, he said, would have to extract within the plant, or break down by a bio-degrading processes, the chemicals and toxic substances which were present, and they could only add water to replenish the amount absorbed by evaporation, absorption and natural processes of that kind. Because this statement was made apropos the new fisheries legislation, and because Buckley Valley Forest Industries is proposing an operation which is not now in existence, we are entitled to know whether the declaration by the minister represents a requirement to be imposed upon the company and upon other plants from now on. Will it, in fact, be a requirement when the chips are down and when the legislation is enacted?

The procedure used yesterday by the parliamentary secretary to deny this information to the people in the area concerned, to those who live downstream from the site of this proposed new pulp mill, to those who are up in arms over this issue, runs completely contrary to the intentions of Parliament, the expectations of Parliament and to the proposition which was put to Parliament by the minister when the amendments to the Fisheries Act were introduced. These considerations must apply, I submit, with regard to the legislation now before us. The present attitude is not good enough morally, bearing in mind the obligations the government have to the people of Canada. The moral obligation to people is what we can best rely on, I suppose. To use vague phraseology about initiating and undertaking measures for pollution control, without spelling out the substance of the ideas and programs which do exist, amounts to asking once more for a blank cheque approach, namely, for a general endorsement by Parliament couched in legal phraseology. When it comes down to the fine print, we discover that the cabinet fails to fulfil the trust placed in it by Parliament or its obligations in terms of the national structure.

In passing, I believe I can justifiably contend against the assertion by the President of the Treasury Board that the inclusion of the word "national" in the provision concerning standards would narrow the authority of the minister. I submit that just the reverse is true and that the minister is using a superficial argument which is not borne out by the facts. Surely, as everyone seems to be agreed, the question of controlling our environment, of preserving the ecology in which we find ourselves, of preserving nature and perhaps human life itself into the bargain, is of such importance that it must be considered national in scope. It should not be undertaken in such a way as to produce one set of standards in one province and another set of standards in another province, or one of set of standards in one municipal area and a different set in another. Surely, we ought to think in terms of a national concept, a national goal.

We have just completed a federal-provincial conference on the subject of the constitution. Full disclosure of what went on at that conference has not been made to Parliament or to the people of Canada, but it is to be hoped that had the government felt it lacked sufficient constitutional authority under the British North America Act to cope with this issue of pollution it would have asked for agreement from the provinces to cloak itself with that authority. But even apart from this, assuming there is some difficulty in the constitution which would make legislation by the federal government ultra vires should it seek to establish itself in a national field, there is nothing whatever to prevent Parliament from declaring that it is interested in the national scene, that the standards which are established should be national in scope and inviting the provinces to accept them.

Clause six provides that the minister, in pursuance of his obligations, powers and authority under clause 5, is able to co-operate with provincial agencies or with any other agencies or bodies having objectives similar to his own. If we were to establish a national standard there would be no difficulty about saying to the provinces: here is an area which we have carved out in the national interest and we suggest you take this standard and put it into effect. This is what we did in connection with the Hospital and Diagnostic Services Act. This is what we did in connection with the medicare legislation. We established national requirements and said to the provinces: If you want to participate in this program these are the criteria you have to meet. This is all we are asking by virtue of the insertion of one simple word "national" in the text of this bill. For the minister to say that this would narrow the field and limit his scope to put these ideas into full effect is spurious reasoning and should be rejected. There must be a national concern and a national objective, not a requirement which can be one thing in one part of the nation and, according to the pressures exercised, something else in another part of the nation.

Mr. MacDonald (Egmont): I wish to speak briefly on the amendment to add the word "national" before "objectives and standards" because I feel an important issue is at stake. Unfortunately, the President of the Treasury Board was not able to deal with it convincingly. I am not trying to detract from his performance in any way, because obviously he is operating under difficulty in an area with which he is not personally acquainted.

The other day we were confronted with a definite example of the need to set a national standard for use in pollution control. In this case I refer specifically to air pollution. In many of our urban centres today, as a result of the increasing emission of noxious gases by industry and transport traffic, air pollution reaches such a peak at times that whole areas become almost unfit for habitation. Those who live or work in Montreal know only too well the situation which occurs when, because of a weather condition known as inversion, the pollution level rises above a certain point. On the occasion I have in mind it goes to about .4 parts per million which, as I understand it, is close to the point where a city becomes uninhabitable, particularly by those subject to respiratory diseases.

On the first really bad day, I asked the Minister of Fisheries and Forestry what steps were being taken by

his department to assist the provincial government and the municipal authorities. One thing which became apparent from the reply was the absence of a consensus as to the level of air pollution which exists from day to day in Montreal. In addition, there seems to be considerable variation between the standards which apply in one city as compared to the standards set by another. Those who have had an opportunity to compare the official reading with the unofficial reading given in Montreal know there is a wide difference as to the actual degree of pollution.

• (2:40 p.m.)

I am told, in effect, that even the official measuring devices that are used vary widely. This can create real problems if provincial statutes or municipal bylaws are passed establishing safe levels for the emission of foreign substances into the atmosphere. As a matter of fact, at the present time there is a substantial amount of law on the books respecting air pollution, so much so that if in the city of Toronto the official measuring devices indicate that air pollution has reached a dangerous level, certain industrial plants can be shut down. If these measuring devices that are being used are not consistent in the measurements they take, if they are not set according to some national standard, then intrusions of a federal authority by the establishment of some blanklet legislation or administrative regulation may create some real problems for the effective administration, either on a provincial or municipal basis, of pollution control standards.

It seems to me that what the hon. member is attempting to do in his amendment is to make it crystal clear that when this department is established it will set national standards and objectives to which the provinces and major municipalities will always be able to refer. These will be universally accepted standards. If this is not to be the case, then when we come to deal with the problem of controlling environmental pollution in this country we will be creating what will almost amount to a system of anarchy by depending on the particular devices employed or standards established from place to place. I am sure that no hon. member would find this a very satisfactory situation in terms of trying to improve and clean up much of the pollution that already exists in this country; and certainly air and water pollution are two major areas of pollution that we must confront now.

As I said earlier, I think the minister is going to have difficulty in logically opposing this amendment—unless, of course, he does not have a full understanding of what is being attempted in this legislation. Perhaps the suggestion made by one hon. member some time ago that we stand this clause until the Minister of Fisheries and Forestry returns is appropriate. I am a little shocked, not only that the minister has not planned to be here—if indeed he considers this matter to be important—but also at the glib way in which the President of the Treasury Board indicated that he had been here throughout the debate. Hon. members will recall that we, in fact, stood clause 5 the other day because the minister was not here at that time.

While there may be some kind of slap-dash handling of the matter by the government at the present time, we of the opposition want to deal with this legislation responsibly. We cannot deal with it responsibly when ministers are not here to defend and to explain various aspects for which they have accepted responsibility. Thus we should at least have the good sense to stand those aspects of the legislation until the ministers concerned do deign to come to the House to discuss these matters with us.

Mr. Baldwin: Mr. Chairman, I think it might be a good idea to stand the clause. The atmosphere of this chamber is not always that of a cloister and it may be difficult for the minister to appreciate the nature and the quality of the arguments that have been so effectively advanced by members from all parties of the opposition.

I think the minister should be given the chance to read what has been said. The President of the Treasury Board smiles. It may well be that the very reasonable arguments advanced from this side of the House from time to time merit only smiles from the treasury board, though I hope that is not the case; but since the minister is going to undertake a fearful responsibility, I think he might well examine the arguments that have been made. Most of what can be said has been said, though I might be able to advance in a few sentences one or two additional arguments.

With regard to the national aspects of this matter, I am sure that if the Fathers of Confederation and those voters and citizens of the country in 1867 who were responsible for the constitution of Canada had realized what their descendants were likely to do to the environment, to the waters and to the soil, they would have so framed the British North America Act as to place this particular aspect of our life within the sole jurisdiction of the federal government. After all, the winds that blow in this country blow traditionally in a certain direction. The waters flow in a certain direction. The winds that blow the pollutants that have been emitted into the atmosphere and environment flow across provincial lines and international boundaries. Waters flow across provincial borders and international boundaries. These conditions cannot be seasonally adjusted; they blow and flow without regard to that matter.

The enforcement of the present pollution laws in the Fisheries Act, the Shipping Act, the Navigable Waters Protection Act and so on is based on the criminal law. Offences created in respect of matters that pertain to restrictive trade practices and to national health and welfare rest on the delicate edge of the criminal law. But I should like to think of this in the broader sense so that we can regulate, as well as prohibit or sanction, following failure to abide by pollution regulations. I know that this is a sensitive area and that some provinces are very concerned about it. However, I think that if this matter were left to the people of Canada as a whole, they would say that jurisdiction in this regard must be vested in the federal authority. I think there is no alternative.

I have promised to be brief and I should just like to mention one other aspect. Problems are being created in relation to certain international labour standards. Treaties that have been entered into by federal representatives with regard to labour conditions have been notorious for the fact that some of their terms have never been implemented because they relate to matters that fall within the accepted and acknowledged jurisdiction of the provinces. The same thing can be said about the United Nations declaration of human rights; some of these rights cannot be implemented because at the present time they come within provincial jurisdictions.

I am convinced that some time within the next 10 or 12 years negotiations will be had on an international basis on various matters. The nations of Europe are talking about this among themselves today, and I think eventually nations from behind the iron curtain will also be involved. Treaties are going to be signed relating to pollution control and the setting of standards for the environment. The United States will be taking similar action. There will have to be international agreements on setting standards.

This question, as I say, has not yet been settled constitutionally. I could make a lengthy constitutional argument here as though I were addressing the Supreme Court. I could argue that there is a good case to be made for jurisdiction resting with the federal authority, but of course I will not do that. If there are going to be international treaties executed ultimately, what power and authority will the federal government have to implement them? I suggest this will be extremely limited except under the aegis of criminal law. If this amendment is passed, it will provide some assistance to the federal negotiators.

• (2:50 p.m.)

I asked this question of the Prime Minister the other day in good faith, as we ask most of the questions we direct to the Prime Minister because we have not learned yet that it does not pay to ask questions in good faith. I asked what discussions had taken place at the federal-provincial conference in respect of pollution. When I asked the question, someone told me the minister was attending the conference to discuss this matter.

We have tried to put the amendment in terms that will strengthen the position of federal negotiators during discussions on this matter. I think there is no doubt that ultimately this jurisdiction must rest with this Parliament and this government. This is an opportunity to assert the view of this House that this should be the case. For these reasons, I intend to support the amendment.

Perhaps I will not have to go that far. When the minister returns he might say he has read the submissions of the hon. member who initiated this discussion, including those of the hon. member for Egmont, the hon. member for Skeena and possibly even the hon. member for Peace River, and because he is deeply impressed by those arguments he intends to accept the amendment. In any event, I will not hold my breath while I am waiting, but I urge the government to give consideration to this amendment.

[Mr. Baldwin.]

Mr. Drury: Mr. Chairman, I cannot help but be entertained by the hon. member who has just spoken.

Mr. Baldwin: I am glad to serve some useful function.

Mr. Drury: I should have thought that he, as a lawyer, would have appreciated the addition of this qualifying word would limit the standards and objectives the minister is to promote and to encourage. If the hon. member will read this clause he will see that this is the purpose. It is to promote and encourage standards and objectives in the field of environmental quality control. If we include the word "national" then the minister will be limited to promoting, advocating and attempting to have adopted standards other than international. Let me try a little Latin on the hon. member: *inclusio unius est eclusio alterius.*

Mr. Baldwin: Would the hon. minister add "seasonally adjusted" in Latin at the end of that?

Mr. Drury: The hon. member does not seem to understand the limit being imposed, so I presume he will not understand that the minister will not accept the amendment for the same reason. By adopting this amendment we would keep the minister out of the international field. That is what the hon. gentleman is proposing, that the minister should not be attempting to promote standards in the international field.

In view of the fact there seems to be unanimous agreement, we should perhaps let the balance of Part II stand during the absence of the minister, and proceed to the consideration of Part III.

Mr. Howard (Skeena): Mr. Chairman, there is another question that should be dealt with at the moment. Earlier, I indicated to the committee that the President of the Treasury Board in fact misled the House today when he gave the reason for the absence of the Minister of Fisheries and Forestry. I said then, and I say again, that the President of the Treasury Board knew where the Minister of Fisheries and Forestry was. He knew why he was absent and by relating to the House a reason other than the true one he, in fact, misled the House. Admittedly, that is a serious accusation but I am prepared to substantiate it if necessary. I think the minister should be afforded an opportunity to say truly why the minister is not here.

Mr. Drury: Mr. Chairman, what I did indicate on each occasion was precise. The hon. gentleman has a rather fanciful story about what the Cabinet did or did not do. He assumed that I was present at the Cabinet meeting, although he does not know.

An hon. Member: It wouldn't have made any difference, anyway.

Mr. Drury: I would not dignify this flight of fancy on his part, constructed largely out of whole cloth, by answering it in detail. As I indicated in the House this morning, I was advised that because of difficulties in making travel arrangements the Minister of Fisheries and Forestry was not present. I was advised during the

lunch recess that he was not going to be here this afternoon, and I so advised the House.

Mr. Howard (Skeena): Mr. Chairman, what the minister has said is correct. He said there were some travel difficulties. I have in my hand a document which lists the schedule or itinerary of a number of Cabinet ministers, one of which is the President of the Treasury Board. This document indicates that the President of the Treasury Board was supposed to leave here at eight o'clock this morning to go to Saskatoon. He obviously knew last night, as a result of the announcement by the Government House Leader, that the first item of business today would be the resumption of consideration by the committee of the government's organization bill. I assume that because of that knowledge, and there may have been other reasons, the minister decided to cancel that proposed trip.

Mr. Knowles (Winnipeg North Centre): That's their loss and our loss too.

Mr. Howard (Skeena): He cancelled his proposed visit to Saskatchewan. In addition to that itinerary, there is an itinerary for other members of the Cabinet. They all emanate from the same place. There is an itinerary for the President of the Treasury Board and for the Hon. Jack Davis, the Minister of Fisheries and Forestry. I assume because they are altogether, the President of the Treasury Board would have known about this. That is why I made the remark earlier when the minister stood up in the House and said with great precision that there were some travel difficulties which kept the minister away. In fact, the Minister of Fisheries and Forestry was then on the way to meet an obligation as outlined in this schedule.

The schedule indicates that on Friday, February 12—that is today in case you were not sure about it—at 12.30 p.m., about the time the President of the Treasury Board rose in this House, the Minister of Fisheries and Forestry was scheduled to depart Ottawa by *Jetstar*, arriving at the Saskatoon airport at 3.15 this afternoon. How could the minister stand up and say with great precision that this involved travel difficulties? I suggest he was deliberately misleading the House by not telling the House the facts of the matter. Furthermore, Mr. Chairman—

The Acting Chairman (Mr. Richard): Order, please. I think if the hon. member for Skeena had a point he has made it. At the present time we are not discussing the itinerary of the Minister of Fisheries and Forestry. I think the House knows exactly what the hon. member had in mind and I do not think we are now entitled to go further into the itinerary of the minister. If there is a charge to be made against anyone, a charge should be made. We should not be discussing or listening to a recitation about the travels of hon. ministers.

Mr. Howard (Skeena): I have great respect for your view about this, Mr. Chairman, but the President of the Treasury Board initiated this recitation this morning in an incomplete and inaccurate way. I think the committee is entitled to know the facts of the situation, and I suggest they are not as the President of the Treasury Board related them.

The Acting Chairman (Mr. Richard): Let me say to the hon. member for Skeena that unless he has something new to add he has explained very clearly what he wanted to say about the absence of the Minister of Fisheries and Forestry. I am sure he does not want to beat the point to death.

Mr. Howard (Skeena): You are quite right, Mr. Chairman, I explained the matter clearly up to the point of the minister's departure from Ottawa. I think the committee is entitled to know why the minister is not here. He is not here for the simple reason he had a very pressing engagement in Saskatchewan which he considered more important than his attendance at Parliament and more important than the question of environmental control. Apparently, the President of the Treasury Board also considered this more important. Apparently, the entire Cabinet considered it far more important than environmental control in this nation. The progress of this bill to set up a department of environment is obviously less important than a meeting at four o'clock Saskatchewan time where the minister is attending a reception of the Biggar Liberal party.

• (3:00 p.m.)

That is what is more important, Mr. Chairman, and that is what should be brought out. That is the truth that should be told in the House, not the cover-up, phony excuse used by the President of the Treasury Board. That is exactly what it was, a phony excuse in which he referred to travel difficulties. The only travel difficulties were that the minister intended all along to go to the reception sponsored by the Liberal party in Biggar, Saskatchewan, and to disregard completely the business of the House and the business of this nation in its care and concern for environmental factors.

Some hon. Members: Shame!

Mr. Howard (Skeena): It is a shameful situation. In addition to that, the President of the Treasury Board knew this precisely and in the face of that and without disclosing it to the House he stood up and barefacedly said that he learned by accident in the afternoon that the minister will not be here, and because he will not be here this afternoon, regrettable as that is, we should stand these matters. That is the first cover-up, to put the matter to one side because the Liberals in Biggar are more important than the people of this nation.

If the President of the Treasury Board wanted to be truthful, he should have put it on the record. But it is obvious from the way he is approaching the English language and from the way he approached the secret document about the employment of Francophones that the minister is not concerned about telling the truth of the matter; he is only concerned about using the English language to cover up the truth.

Mr. Drury: Mr. Chairman, I must confess that I am becoming a little impatient. The hon. gentleman has been reading the mind of the Minister of Fisheries and Forestry and he has also been reading my mind and, as usual, arriving at the wrong conclusion, with a lot of rather unpleasant innuendos all the way through.

The fact of the matter is that the Minister of Fisheries and Forestly, I am informed—I have not spoken to him, nor do I pretend to read his mind—learned of the intention to proceed with this bill today. He was in Vancouver. When he received this communication by telephone, he undertook to try to make travel arrangements to come back here. By this morning he was not here. The fact is that the hon. gentleman has a timetable similar to mine, and because he could not get from Vancouver back here in time the hon. member assumes that the intention was to proceed with the timetable as it is written. I suggest that both his logic and his imputed motives are false. I suggest that perhaps we should let this clause stand.

Mr. Howard (Skeena): At 10.45 last night Vancouver time, which is 2.45 a.m. Ottawa time, and at 10.50 p.m. there were two Air Canada aircraft leaving Vancouver which would have got the minister to Ottawa this morning, first-class or economy, in time to prepare for this debate and in time to cancel his program for the Liberal party in Biggar, Saskatchewan. That also is the truth of the matter and it has nothing to do with innuendo, slander or anything else. I just make the direct statement that so far as the minister, the President of the Treasury Board and the government are concerned, the Liberal party in Biggar is more important than the well-being of the people of this nation with regard to environmental matters.

Some hon. Members: Oh, oh!

Mr. Harding: Mr. Chairman, I rise on a point which the President of the Treasury Board made in connection with the amendment before the House. He pointed out, in reply to two preceding speakers, that the addition of the word "national" would restrict or limit the objectives. I want to say very clearly that what I am trying to do precisely is limit the multiplicity of standards which we have in Canada. That is the reason for setting national standards. I want to bring home this fact to the President of the Treasury Board. That is exactly what I am trying to do in the amendment.

We are trying to establish a set of standards in Canada so that we will not have provinces or water quality management areas following a host of different standards which will eventually create pollution havens. We are completely fed up with the present circumstances under which provinces and water quality management areas have been given the power to set different standards in different parts of Canada. As long as we have this type of legislation on the statute books we will continue to have trouble with the root cause of the problem. If we are to stop pollution in this country we will have to set broad, national standards and let industry, the public and governments alike know that these are the standards and that we will not allow them to be broken. This is the reason for the amendment we are proposing.

The minister tells us that it is a good idea to have a number of broad objectives. For goodness sake, we have been running wild for years and that is the reason we are in trouble now. That is the reason it will cost us billions of dollars to clean up the mess. Let us make certain that we have criteria and national standards which will do the job of controlling pollution nationally and provincially. These people are asking for guidance from the federal government and they are not getting it. They are getting nothing but a great big run-around in this bill and in other bills, in the setting of standards and in everything else. It is time the environmentalists and the Canadian public realized this. I suggest that the minister's answer is anything but satisfactory.

Mr. Comeau: Mr. Chairman, I am wondering whether or not this clause is to stand.

The Chairman: There was no agreement to stand the clause.

Mr. McGrath: Mr. Chairman, I rise on a point of order. I thought the President of the Treasury Board indicated that he was prepared to stand this part of the bill and to go on to part III. That was my understanding.

Mr. Drury: Mr. Chairman, I think the hon. member for Skeena said he was not prepared to have it stood.

Mr. Comeau: I will be very brief on the subject, but I would very much like to have the Minister of Fisheries and Forestry here. This is why I would like to have the clause stood. This type of amendment was proposed when we discussed the Canada Water Act last year. The NDP and our party proposed the type of amendments that are being proposed now, providing for national standards, but they were defeated. At page 2830 of *Hansard* of January 27, 1971, just two weeks ago, the Minister of Fisheries and Forestry made the following statement. Perhaps the parliamentary secretary can answer my question. The minister stated:

> I am opposed to different standards in different places. I am opposed to pollution havens. I am opposed to big industry picking on our weaker provinces and our weaker municipalities.

• (3:10 p.m.)

He went on to explain what he meant. Then he asked this question of the House:

> So, why run the risk of losing everything when uniform national standards can provide us with all the protection we need?

The hon. member from Renfrew is being hypocritical about this. He is going to vote against the amendment despite what the Minister of Fisheries and Forestry has said. This is exactly what the minister wants to do under this legislation. I repeat his words:

> So, why run the risk of losing everything when uniform national standards can provide us with all the protection we need?

How can you explain the fact that the government does not want to accept this amendment?

Mr. Guay (St. Boniface): You cannot explain it to someone who does not want to understand.

Mr. Comeau: The hon. member for St. Boniface never understands.

Mr. McGrath: He only speaks from his seat; that is where his brains are.

Mr. Comeau: He did not participate in the debate on the Canada Water Act.

Mr. Guay (St. Boniface): That was because you people took up all the time.

Mr. Comeau: That is the reason he does not know the arguments that were presented. On that occasion the Minister of Fisheries and Forestry had all kinds of arguments to defeat our proposals. Now he is adopting one of our main proposals. He is advocating national standards—but I think he is just talking that way to the Canadian public. He does not really mean it because the President of the Treasury Board, speaking for the Minister of Fisheries and Forestry this afternoon, does not want to accept this type of amendment. I cannot understand the President of the Treasury Board talking about infringement of provincial jurisdiction and all that sort of stuff. The Minister of Fisheries spoke in favour of national standards. He got headlines in all the newspapers; it was on the front page of every newspaper in Canada. The minister was being really tough, but now the government is backing away. I ask the minister or his parliamentary secretary to explain the reasons why the government does not want to accept this amendment.

Mr. Drury: Mr. Chairman, if the hon. gentleman understood that I was against national standards and was opposing the amendment for that reason, this is clearly a misunderstanding. I think in my earlier remarks I said that the Minister of Fisheries, and indeed the government highly favours the creation and adoption of national standards. There are, however, other fields in which standards would be useful and those are areas which at the moment are exclusively under provincial jurisdiction. I think that we as Canadians are interested in seeing that standards are adopted for areas which are under provincial jurisdiction and we know that the minister would wish to promote and encourage the adoption of such standards. He also would wish, as the hon. member for Peace River indicated, to encourage and promote the adoption of international standards. If one limits him to purely national standards, I suggest this tends to obviate at least the responsibility for promoting and encouraging the adoption of both international standards and provincial or local standards.

I understand the argument that the adoption of national standards is important and the minister has publicly recognized this. He continues to feel that it is important. Indeed, the wording now in the clause would enable him to accomplish fully those purposes that he has indicated, and nothing would be added by the proposed amendment to the achievement of the objectives that he has stated.

Mr. Baldwin: Mr. Chairman, I must object to that misinterpretation which I think has been quite innocent.

Mr. McGrath: There was nothing innocent about that.

Mr. Baldwin: It is either ignorance or innocence and I prefer to say innocent in the circumstances. One of my colleagues has said that the minister's argument was a red herring. Mr. Chairman, it was more like the dead mackerel that shines and smells at moonlight. I stated categorically that in my judgment, within the next few years it will be almost inevitable that international agreements will be entered into. This being the case, I asked what will be the authority of the federal government to implement agreed international standards.

If the federal government is left in the position it is in now with respect to international labour arrangements and the implementation of the United Nations' human rights code, we will be in very serious trouble. But if we make it absolutely plain, be setting national standards, that the federal government has a right to set those standards, as advocated by the amendment, then at a later stage the federal government will be in a position to implement international standards: it will not have to go to each of the ten provinces—and some day there may be 11—and say: Here is the agreement we have signed. It is deemed imperative as a result of international negotiations that these international standards be established. The federal government would have to ask Alberta, British Columbia, Ontario and so on to pass legislation to implement those standards. I believe the hon. member is trying by his amendment to obviate that and put the federal government in a position where it will be easier for it, having established its right to set national standards, to implement international agreements.

Mr. Barnett: Mr. Chairman, as I listen to this discussion it becomes more and more obvious to me that the President of the Treasury Board is either clutching at red herrings in an endeavour to dredge up some argument against the amendment or he has not read clause 6 of the bill. It may be a mixture of both. Clause 6 has two subparagraphs. Clause 6(a), to which the amendment refers, clearly states:

> initiate, recommend and undertake programs, and co-ordinate programs of the government of Canada, that are designed to promote the establishment or adoption of objectives or standards—

If the government of Canada through its various agencies and programs is not interested in encouraging the promotion of national standards, then what is the purpose of having a national government? I felt that in his exchange with the hon. member for Peace River the minister was trying to introduce a constitutional cloak or smokescreen by suggesting that the insertion of the word "national" into clause 6(a) would restrict the application of the bill. Clause 6(b) refers to the idea of the minister working with other agencies, and in particular provincial governments, to "promote and encourage the institution of practices and conduct leading to the better protection and enhancement of environmental quality".

• (3:20 p.m.)

So, Mr. Chairman, it seems to me that there is a clear distinction between what is envisaged in subclause (a) and subclause (b), and to suggest that the insertion of the word "national" in subclause (a) would restrict the powers of the minister to work with provincial agencies under the terms of subclause (b) is arrant nonsense. That is why I suggest that the minister has not read it, or he is trying to draw red herrings into the debate. I fail to understand the minister's viewpoint, Mr. Chairman.

I heard the President of the Treasury Board speaking on these matters long before the introduction of this bill. Why is there this extreme reluctance on the part of the government of which he is a member to introduce national controls in terms of national standards? The minister may recall that in 1966 a conference was called in Montreal under the auspices of the Council of Resource Ministers. His colleague who is now the Minister of Industry, Trade and Commerce was the minister who had responsibility in this area at that time. I was one of the few members of the House who took the trouble to go down, to register and attend that conference. I remember making a speech in this chamber not long after the conference was over. I gave a summary of the conclusions of the conference and quoted the guidelines suggested by it, guidelines which had reference to air pollution, water pollution and soil pollution. The conference was divided into those areas.

I quoted the recommendations that more or less delineated the areas of responsibility that might be assumed federally and provincially in respect of the battle against all three areas of pollution. The conference recommended unanimously that one of the basic responsibilities of the federal government ought to be the initiation of national standards of quality for air, water and soil. Mr. Chairman, those at the conference represented people from one end of Canada to the other; it was on of the most representative conferences ever held. There were experts in various fields of science, particularly biological science. There were representatives of the federal government and of the Fisheries Research Board. There were municipal representatives and senior officials of the public service of all the provinces. There were municipal legal advisers. There were representatives of industry and of conservation groups from across the country.

Out of all the mix and exchange of ideas there emerged, above all else, one concept—that the role of the federal government should be in the establishment of national standards of quality. I remember very well what a top management person in the pulp and paper industry said. He was part of the group I was in. He said that while they recognized that cleaning up the pulp and paper industry of Canada would cost money, and while it was true that no businessman liked to spend money that would not bring any direct return on the profit side, nevertheless so far as they were concerned if they could be assured that they would not be placed at a competitive disadvantage with people in other parts of the country they would buy the idea; they would clean up the effluent being discharged into the air and water from the pulp and paper industry.

That was the basic theme that emerged from the conference attended by representatives of science and industry. To my knowledge, in that industrial group there were highly placed people from the pulp and paper industry from the Pacific as well as from the eastern parts of Canada. That was the consensus and that was the feeling one obtained from talking to senior people in the public service of the provinces, people who were speaking frankly and off the record, so to speak, so far as any direct quotation of their words was concerned. That consensus was reflected in the guidelines that emanated from the conference. Yet here we are in 1971 and we are discussing a bill to set up, among other things, a department of the environment. As the hon. member for South Western Nova suggested, the minister who is to head the department has said that he believes in national standards. Nevertheless, the President of the Treasury Board has presented his argument. Earlier in the exchange, which I will not go into, he said that he did not think we had attended any cabinet meeting. I have been wondering whether he attended the cabinet meeting at which was discussed the government's support of this bill and whether he knew that the attitude of the minister who is to head this department is that there should be national standards in Canada.

I submit, Mr. Chairman, that when the President of the Treasury Board suggests that this amendment would restrict in any way the powers and duties of the minister of the department to deal co-operatively with the provinces, he is speaking arrant nonsense. We are in no way attempting to insert anything in subclause (b) which would do that. We are trying to suggest that the bill should clearly set out that so far as the activities of the federal government are concerned, the responsible minister should have the green light to provide leadership in the setting of national standards and objectives respecting the quality of the environment in Canada. I cannot understand why the President of the Treasury Board should object to that kind of concept being included in the bill, particularly when it was stated to the House by the minister who ought to be here to deal with policy questions involved in amendments of this kind.

Mr. Harding: Mr. Chairman, this amendment is of such vital importance that I think the minister's reply of a few moments ago cannot go unchallenged. I wish to make two or three points. The minister is trying to make out that we are trying to strap provincial authorities. I do not know whom he is trying to kid. He has apparently fooled the members of his own party but he is not kidding any of the opposition members or the general public.

The bill we are dealing with is federal legislation. We cannot legislate for the provinces. We cannot legislate pollution standards for the provinces of this nation and the minister knows it. Yet he stood up and said we will strap the provincial authorities if we include "national" in the clause. I have never heard such unmitigated nonsense. The argument just does not hold water—but a great many things which this Liberal government has

done do not hold water. Let us read the beginning of the clause. Anyone who can read and understand English will understand what clause 6 (a) says. It reads in part:.

initiate, recommend and undertake programs, and co-ordinate programs of the government of Canada—

This is the government of Canada.

An hon. Member: We are the government.

Mr. Harding: The hon. member says that he is part of the government?

Mr. Mahoney: The members on this side make up the government of Canada.

Mr. Harding: As I say, this is the government of Canada.

An hon. Member: The hon. member may not like it, but this is the government.

• (3:30 p.m.)

Mr. Harding: We are initiating programs of the government of Canada. If we are to have national standards in these programs, they should be included in the legislation. That is all we are asking. We do not want to hear gobbledygook about affecting the provinces and municipalities. It is crystal clear to anyone who reads the legislation that it applies to programs of the federal government. This is what we are pressing for. We want national standards. The people of Canada want national standards in federal programs. Let us include it in the legislation and decide once and for all. Again I want to make it crystal clear that there is nothing in here to indicate that the federal government will dictate standards to the provinces. It is their own affair whether they have pollution control legislation. We could try to put pressure on them, but when it comes to this type of program we must be strong and courageous and insist that national standards be written into the legislation.

Mr. Howard (Skeena): Mr. Chairman, I want to make a few comments apropos what the hon. member for Kootenay West has said about national standards. He stated that this is national legislation and if there is a constitutional obstacle it does not and cannot override the position of the provinces. The provinces will still be free to work within the areas of their jurisdiction. I and others to whom I have spoken briefly wonder why there is a distinction and a different approach. I wish to refer to Bill C-224, an act relating to ambient air quality and to the control of air pollution. Although this bill is not now before us I think it bears looking at because it will presumably be administered by the department of the environment. Clause 2(i) contains the words "national ambient air quality objective". It uses the word "national".—Further on there is reference to national ambient air quality objectives established pursuant to other sections of the bill. Clause 4(2) of the bill reads:

The Governor in Council may from time to time prescribe as national ambient air quality objectives any objectives formulated by the minister pursuant to subsection (1).

It gives the cabinet the authority to establish national ambient air quality objectives. Clause 7, regarding national emission standards—provides:

—the Governor in Council may prescribe national emission standards establishing the maximum quantities, if any, and concentrations of such air contaminant—

Clause 8 reads:

The Governor in Council may publish or cause to be published national emission guidelines indicating quantities and concentrations in . . . air—

Because the bill before us is federal or national legislation, it would contain the same or similar phraseology with respect to air pollution. If this principle is followed in establishing national objectives and national emission standards with respect to air pollution, it should be contained in the overriding legislation, namely, that which establishes a department of the environment. The objectives should be national standards in the broadest possible sense. That is all we are asking. Any argument which states that the use of the word "national" would narrow the matter is spurious. If that argument is accepted, the use of the word "national" in the air pollution bill will also narrow that bill. That is not the purpose. The government should accept the objectives of the minister and declare them as national. What is harmful about that?

Mr. McGrath: If the minister were here, Mr. Chairman, I believe he would subscribe to the arguments which have been made. The minister has stated on a number of occasions that this is one of the objectives he has in mind. This is one of the over-all objectives in establishing the new department of the environment. A few months ago we debated the Canada Water Act. At that time we advanced arguments to indicate why we felt the Canada Water Act could not work. We said it could not work because it depended upon federal-provincial co-operation; it depended upon establishing water management boards across the country that would have varying standards influenced by the special interests of the province or the municipality involved. Following an interview with the Minister of Fisheries and Forestry, the January 3 edition of the *Sunday Express* stated:

"The Canada Water Act requires federal-provincial-municipal co-operation to work. The law is already there in the Canada Fisheries Act to force clean-ups, and industry is being fairly co-operative"—

Where did we hear that before? That argument was advanced by members of this House during the examination of the Canada Water Act. We said the Canada Water Act was not necessary to provide the government with legislative authority to clean up our waters, rivers and inland lakes; the authority was already contained in the Fisheries Act. The Minister of Fisheries and Forestry is now saying the same thing. We felt, and still feel, that the Canada Water Act was bad legislation because it set up varying standards across the country which would be dictated by the special interests of the provinces and municipalities. In other words, we will end up without a national standard for water in this country.

• (3:40 p.m.)

This is what the amendment now before the committee is all about. This is why I believe that if the minister were here he would be anxious to have such an amendment incorporated. It would clearly define what he is seeking to do, namely, to set national standards for the environment. In the same article in the *Sunday Express* appear the following words:

Mr. Davis rejects the concept of varying standards of water quality as espoused by J. J. Greene, Minister of Energy, when he had charge of the Canada Water Act.

Mr. Chairman, the minister himself was saying in that interview what we are trying to say in the House this afternoon and what my hon. friend is advocating in his amendment. If this bill is to mean anything at all, it must set up national objectives and standards for cleaning up our environment. The minister referred to this again the other day in the statement he made on first reading of the clean air bill. It was to set national standards. This is why the bill was brought in. He brought it in so there would be a national standard for clean air, not a standard affected by the special interest of particular provinces, of particular municipalities or even of international interests. It would be one decided upon in the overriding interests of this country as a whole. While I am on the subject of the press release of February 9, in connection with the clean air bill, I noticed it said:

Mr. Davis is minister-designate of the new department of the environment.

Mr. Chairman, there is no new department of the environment. Parliament has yet to give approval of the establishment of a department of the environment. There is a proposal to set up such a department. I suggest that the person responsible for writing that press release, and the minister who must take ultimate responsibility for it, were anticipating what they have no right to anticipate, namely, that Parliament will give consent to this bill as proposed by the government.

In this connection I have an amendment to move when we come to clause 2 regarding the name of the department. It is one which the minister, being the sensible man he is, will certainly be prepared to consider. The whole debate this afternoon underlines the ludicrous situation in which we find ourselves. We are trying to advance arguments to improve this legislation agreeing, as we do, with many parts of it, and we find ourselves at a great disadvantage because of the absence from the House of the minister who will have the ultimate responsibility for this new department, the Minister of Fisheries and Forestry.

I remember a few days ago when the minister was supposed to participate in a great economic conference in Newfoundland. With the usual promotion which is one of the characteristics of the Premier of that province, it was announced with great fanfare that on the final day of the conference, which was last Wednesday, the Minister of Fisheries and Forestry, the Minister of Regional Economic Expansion and the Minister of Transport would be present. The Minister of Fisheries and Forestry was not present because he had to come back to the House of Commons to pilot this legislation through the chamber. Now we find that his presence is not, apparently, of such great importance. Where is he this afternoon? He is in western Canada. He is not attending to any governmental duties. He is attending a conference of the Liberal party in Saskatchewan when he should be in this House attending to his responsibilities and listening to the very reasoned arguments put forward by hon. members who are trying to fulfil their obligations to the people of Canada by making this a good bill.

We remember the experience of a few months ago when the Canada Water Act went through this House. We contended it was bad legislation because it failed to recognize the necessity for a national standard of quality control for clean water. Because this plea went unheeded we shall gradually see the Canada Water Act, which took up so much of the time of the House, pass into oblivion, where it belongs, to be superseded by the legislation we are now putting through and the concomitant legislation which is to accompany it such as the clean air bill and other measures which I am sure the minister will be introducing in connection with his new responsibility for pollution control.

I believe the amendment put forward by my hon. friend will generally improve the bill. With great respect to the President of the Treasury Board, I find it difficult to understand why the government will not accept it. I feel that if the Minister of Fisheries and Forestry were in the House today he would be prepared, as a reasonable man, to listen to the constructive arguments which we have put forward and to accept an amendment which we contend would have the effect of improving the bill. I am genuinely sorry that members of the House did not agree with the proposal put forward by the President of the Treasury Board to stand this part of the bill until the Minister of Fisheries and Forestry is here to take part in the debate. In the absence of the minister, what we are doing now is a useless exercise. With great respect to the President of the Treasury Board, he can never answer the arguments we are putting forward. He does not understand the bill, he has no responsibility for studying this part of its provisions and he will not have the ultimate responsibility of administering it.

Mr. Peters: Mr. Chairman, I hope the minister will accept this small amendment. As has been pointed out, a similar provision is made in the air quality legislation. I see a number of members present this afternoon who are interested in controlling the pollution of the Ottawa River, a body of water which is interprovincial. They are well aware that if this effort is to be successful, co-operation will be needed from dozens of municipalities both on the Quebec side and on the Ontario side. It is obvious the minister will be unable to operate on the basis of standards set up separately by Quebec or by Ontario. Not only will there have to be agreement between the provinces as to the desired standard, but co-opertaion must be forthcoming from the townships concerned. Those responsible for spending money on clean-up plans in Quebec will have to take into account the degree of pollution from the Ontario side, and vice versa.

I am unable to understand why the minister should be reluctant to see the word "national" added. The fact that the President of the Treasury Board comes from Quebec may have much to do with his attitude in this respect. When we talk about issues which affect Quebec in any way, there seems to be a particular reluctance to attempt to remove from that province any of the authority it might have. He knows that if there is agreement between the authorities concerned, the standard which is ultimately reached will be in effect a national standard accepted by all who take part in anti-pollution programs. I see in the chamber today a number of members from the Ottawa Valley, the Ottawa River basin, who know full well that the effort of the national government will be paramount when it comes to dealing with the pollution of that river.

• (3:50 p.m.)

I have been very concerned during the last few weeks, as have many other members, as we have travelled across the country investigating another area in which a national standard will have to be established. I refer to the agricultural commodities. Again we have found, not so much a reluctance on the part of the provinces to make an agreement with the federal government to allow the federal government to establish national standards and quotas as a reluctance on the part of the federal government to take any initiative. I would be interested to hear the minister tell the committee whether or not the law clerks who drafted this piece of legislation were different from those who drafted the clean air legislation which makes reference to the word "national" in many instances. Certainly there has been a reluctance to refer to national standards in this legislation.

The Ontario Water Resources Commission will have a great deal to say in regard to standards to be established to control the pollution of this interprovincial waterway, which frankly is all that we are talking about. If we are talking of intraprovincial pollution, then the provinces will have their own standards. As far as interprovincial pollution is concerned, we will have to take into consideration the standards that are set by all provinces, and the mean that will be arrived at will be the national standard.

In this regard we are continually raising the old bugaboo of the Constitution. I suggest that if the federal government got off its fanny and made a decision in this matter, the decision would never be taken to the Supreme Court on appeal; the provinces would either meet the standards or would not do so. It has been suggested that if we are going to improve the environment, this is one area where the federal government can exercise a great deal of authority. In most instances the expenditure of money will be called for. In this regard I am reminded of a discussion I had a week or so ago with the Minister of Agriculture of the province of Quebec. We were discussing the constitutional problem of just what belongs to the provinces and what belongs to the federal government and I was interested to hear him say, "You put money into it and you will have jurisdiction over it. There will not be any worry if you put money into it". He suggested that the federal government has been able to get control of national dairy marketing because the federal government has put money into it.

This reminds me of the story of the young man who asked a young lady if she would go upstairs with him for $1 million.

Some hon. Members: Order.

Mr. Peters: She said she would. Then he said, "Well, how about a couple of bucks?" and she replied, "What do you think I am?" He said, "Well, we have established that; all we are dickering about is price". It seems to me that on this question of the Constitution all we are dickering about is price and I suggest my story is a parallel. If, as the Minister of Agriculture of Quebec said, you are willing to put money into something, then you need not worry about the jurisdiction.

Some hon. Members: Oh, oh!

Mr. Peters: Mr. Chairman, I apologize if there are tender ears in this place. I suppose the hon. member for St. Boniface has more tender ears than anybody else. Perhaps the facts of life are now known to him, and if so I apologize to him for shocking his sensibilities. If I can get back to the matter of control of the environment, in many instances the municipalities have a responsibility that they are not in a position to carry out. In many cases the provincial governments are not in a position to carry out the responsibilities that they have.

It seems to me that if the federal government is really interested in creating work for people it should quit playing around with programs such as the area development incentive program, under which the cost per job is $50,000, and start doing something to control pollution of the environment from the municipal point of view. If we spent $1,000 per job in the municipalities we would probably make quite a contribution toward the creation of a cleaner environment. This is particularly true in the Ottawa Valley and the upper Ottawa in which I have very great interest. There are hon. members of the House who represent constituencies situated along this great waterway which stretches pretty well from the north to the south of the province, and I am sure most of them would agree that the establishment of national standards for the Ottawa River is absolutely necessary. To do so will require the co-operation of hundreds of municipalities in the elimination of their pollution of this large waterway. For its part the federal government will have to assist the provinces in their supplementation of the resources of the municipalities.

If the President of the Treasury Board opposes the idea of having a national standard established or promoted as a national objective for controlling the quality of the environment, then he must be admitting that this is a matter that should remain with the provinces or with the municipalities or with someone else. I think anybody who has examined pollution will realize that the national government will have to set standards and in most cases will have to help the municipalities, the provinces and industry of this nation to meet those standards. I think

we would be very foolish if we were to say that we are going to provide the wherewithal to meet standards that are not ours, standards that we have not formulated. I am sure that many municipalities believe their primary treatment plants have gone as far as they can to protect the environment, and I am equally sure that those municipal standards are quite inadequate from a federal or even a provincial point of view. So in refusing to establish a national standard government is admitting that the converse must be true, namely, that it wants somebody else to set those standards.

I think few people would agree that industry should set its own standards. Certainly the minister who will have to administer this part of the legislation does not say that. He has said that the federal government will have to set the standards. We will have to put up the money to assist in setting standards and we will demand that certain standards be met before new industries are established in certain fields. This is what the minister has said of the pulp and paper industry, and the government is going to spend money in this regard. I suggest that the standards the minister has in mind are not provincial, municipal or industrial standards, but national standards.

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

Progress reported.

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MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Richard): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-10, an act respecting La Société des Artisans, to which the concurrence of this House is desired.

• (4:00 p.m.)

It being four o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely notices of motions. I understand there is agreement to allow to stand and retain their positions motions Nos. 9, 15, 16, 17, 18, 19, 20 and 21 and to proceed with motion No. 24.

Some hon. Members: Agreed.

PRIVATE MEMBERS' MOTIONS

HEALTH

SUGGESTED CONFERENCE TO CONSIDER UNIFORM ANATOMICAL GIFT LEGISLATION

Mr. Maurice Foster (Algoma) moved:

That, in the opinion of this House, the government should consider the advisability of convening a national ad hoc conference of appropriate people to encourage the enactment in all jurisdictions in Canada of uniform anatomical gift legislation and to consider the need for international agreements to facilitate the transfer of human tissue between Canada and other countries.

[Mr. Peters.]

He said: Mr. Speaker, the motion I have placed before the House today calls on the government to convene a national conference to promote the adoption in Canada of uniform anatomical gift legislation. The term "anatomical gift" refers to donations by people of tissues from their bodies for transplant therapy, medical research or medical teaching purposes. It is several years since the celebrated heart transplants dramatically focused world attention to the possibility of extending man's life by replacing worn-out body parts with those from another human being.

Some hon. Members: We have a few around here.

Mr. Foster: Although the practicality of doing large numbers of heart transplants is still being assessed and the techniques refined, there can be no doubt that many other organs and tissues can be routinely transplanted in a practical way. There are 35 different body tissues and organs which can be successfully transplanted. There can be no doubt that thousands of lives could be either saved or made more healthy by the modern techniques of transplant therapy. However, the scientific knowhow for transplant therapy in Canada is years ahead of the legal framework to allow would-be donors to easily make gifts of their body tissues. It is a sad state of affairs when the legislators of a country cannot pass relatively simple, non-controversial laws to facilitate medical progress as fast as the medical research people can develop these new techniques.

We in Canada will be in a few months at least three years behind the United States in this area of medical legislation. A uniform act was proposed there in 1968 and has been accepted by every state of the union since that time. I think it is in the interest of Canada and the United States that both countries start to provide a working, uniform act. One was started in 1965 and by 1968 a uniform act had been adopted in the United States. All jurisdictions in that country passed this legislation. In Canada we had not agreed on a uniform action until last summer's conference and no jurisdiction in this country has passed the legislation. Let me read part of a short article which appeared in *Time* magazine of July 13, 1970. It states under the heading "Anatomical Gifts":

> At Salt Lake City's University of Utah Hospital recently, a 57-year-old man lay dying after heart surgery. In his wallet was a card that read: "Desiring that humanity may benefit I hereby give for any lawful medical purpose any specific organs or parts of my body determined to be medically usable . . . upon my death".
>
> In the past, hospital authorities would have had to negotiate with the patient's next of kin to obtain organs for transplant, and the organs might have deteriorated and become unusable before permission was obtained. There was no such delay at the Utah hospital. Informed by the patient's wife about the donor card, surgeons were able to operate on him as soon as he was pronounced legally dead. They removed both kidneys for transplant and both eyes for cornea grafts. Within a few hours, one of each was used for transplants in other patients.

The speedy donation was made possible by Utah's passage of the Uniform Anatomical Gift Act, which gives any patient the right to bequeath his body or organs for medical purposes. Because of almost nationwide adoption of the act—and changing attitudes towards transplants—surgeons long frustrated by a shortage of donor organs now foresee an increase in the supply.

Last week while discussing this problem with a transplant surgeon I was told of all the difficulties incurred in obtaining enough organs. This man specializes in urology and he said that in Canada at the present time it is estimated that 450 people are waiting for suitable kidneys and other organs that might be transplanted. A uniform act was adopted, as I mentioned before, at the conference of commissioners on the uniformity of legislation last summer in Charlottetown. This draft legislation was largely based on the proposed Ontario bill. I should like to pay tribute to the work of the special Ontario medical-legal committee headed by Mr. Allan Leal which has done a great deal of work on this subject during the last few years. However, in spite of this uniform draft bill being available to Canadian provinces, there is little indication that the matter has had much priority with provincial legislatures. Some of the ministers of health at the December meeting in Ottawa had never heard of the need for this kind of legislation.

It is not hard to document the number of people in Canada with serious kidney disease or haemodialysis, waiting for kidney transplants, or the number of people with impaired vision awaiting corneal transplants. However, statistics do not seem to impress governments as much as public opinion and demand for action. This would be one value of an ad hoc conference of people interested in the problem, to focus public interest on the need for such legislation across Canada. This conference would also provide a source of information on the need to provincial ministers of health, their departmental officials, medical associations and other interested groups and individuals.

There are at least two matters of concern to the federal minister of health which the provincial representatives would want to discuss. The first of these concerns the international transfer of human living tissue. Because of the geography of North America, much of the communication between surgical transplant teams is between Canadian and United States cities. For instance, if a surgical team in Hamilton has a patient dying of kidney disease and a donor bank at Rochester, New York, had a suitable kidney available, it would be rushed to Hamilton by police cruiser with no consideration for customs regulations.

It is obvious that transplant therapy is still very glamorous. However, when it becomes routine and transfers are carried out by commercial carriers there may well be problems in transfers of tissue at international boundaries. This matter should be considered by the people concerned and a formal arrangement made between Canada and other countries to facilitate the transfer of human living tissue. Another matter of international concern is the status of the wallet-sized cards which give a physician authority to use the tissue from accident victims for transplant therapy when they are away from their province or country of residence. There are 5,000 automobile accident victims in Canada every year and many of these involve our friends and neighbours in the United States. The status at the international level of these cards should be studied and an agreement between Canada and other countries made.

• (4:10 p.m.)

I have only touched on some highlights of the need I see for a national ad hoc conference on anatomical gifts. However, I believe from these remarks hon. members will be convinced that this is an area of law in Canada which is not only holding up medical research and education but is continuing human suffering and shortening lives. So I call on the Minister of National Health and Welfare (Mr. Munro) not only to be sympathetic to this problem but to act in a positive way, to convene this conference, to call together the best experts on the subject and the responsible provincial authorities for a meeting here in Ottawa. Only in this way will the needs of the country in this area of science and medicine be promoted and quickly adopted.

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, it is a privilege for me to take part in this debate, for two reasons. First of all, because the subject is one of cogent relevance to the present and is also becoming more and more important as scientific discoveries and capabilities improve; and, second, because the man in whose name this motion stands, the hon. member we do not want to follow that procedure". The corpse is members of this House, bringing to it a very fine reputation in the field of medicine as well as a compassion for the needs of people, and especially for improving legislation that will help out in human circumstances. I want to extend the basic motion that is before us. It has to do with uniform anatomical gift legislation within Canada and also across international borders.

The hon. member who proposed the motion and who has just spoken to the House referred in particular to portions of bodies of deceased people. But there is another dimension to this question, and I know he is aware of it, and that is parts of bodies from people who are still living. So we are concerned here with three things, and I will introduce the third. The first is the movement of cadavers or of corpses across international lines, or the freedom for medical people to remove from the deceased certain organs that can be used on one hand for research and on the other for people who are alive.

Second, the motion bears upon the removal from a living, healthy person of an organ, for instance one kidney or some other organ that they will donate to another person. Third, I want to raise a new dimension which I think makes this motion extremely relevant if not of crucial importance. I read recently that in one author's opinion the most urgent and exciting and, in a real sense, the most frightening breakthrough of our decade is that we have come to have the ability to develop life in a test tube, to sustain the development of embryos in incubators and to produce not only tissue but complete human embryos apart from the female body.

In other words, scientists have become able to produce complete human embryos apart from the social context in which the embryo, upon reaching the stage of birth, is delivered into a family context. We have now come to the situation of being right on the verge of being able to produce human beings in foetal or embryonic form that do not belong in any particular family. If we produce an embryo, a human child, and if this child is sustained—and scientific knowledge now enables us to sustain life until such time as that child can function as an independent individual apart from incubators and special laboratory equipment—whose responsibility is that child? First, is it the offspring of the mother from whose body the female egg, either fertilized or unfertilized, was drawn? Is it the legal responsibility of the father as the donor of the sperm, or is this offspring the product of and therefore the legal responsibility of the originator of the laboratory in which this experiment was conducted, or of the technician so involved?

Also, to go one step further—this has a more direct bearing on the hon. member's motion—what happens to the initiation of life in a test-tube or the bringing together of egg and sperm outside of a female body, outside of the natural environment when this tissue develops? It is more than tissue, really; it is more than a limb in the sense that my hand is a limb or any other part of my body. Here we have in tissue form, because everything ultimately stems from tissue development, a complete human being. If for some reason the life is terminated or a decision is made to terminate it after one week, one month or five months of development, then this also comes directly under the question that is raised by the hon. member. Does this tissue have a special value, and what legal framework do we have in Canada or should we have today for the whole new set of circumstances which is being developed?

I will go one step further. All of us in our culture are familiar with the phenomenon of identical twins. What do we do when we perfect the art of what I would call, in semi-laymen's terms, primary fission in the sense of being able to make complete duplicates at an early stage of embryonic development so that we not only have identical twins but thousands of identical people reproduced over and over again? Theoretically you could populate a whole world with people who are all of the same chromosomal structure. This, again, means that we are starting to deal with tissue in areas that were not even dreamed of as recently as a decade ago.

It is true that the hon. member for Algoma pointed out that what has caught the public's imagination is the transplanting of heart, of kidneys and of different organs, but it seems to me that the real urgency is in evolving the process and procedures and the rules and regulations toward which the hon. member aspires in the whole realm of laboratories to create, to sustain, to direct and to reproduce life. In this sense I think we have not only to talk about kidneys and hearts but we have to talk about complete embryos, and we even have to deal with the question of who is the owner, if you want to call it that. Maybe you do not like that way of putting it. Perhaps I could put it as the question of who is responsible for the offspring that does not derive his or her existence from what we call the traditional family context.

• (4:20 p.m.)

These are questions that are far more urgent than people in our culture realize them to be. But because they are horribly frightening that does not mean they are not pressing on us. By adding that dimension to the hon. member's motion, I hope he will not be too dissatisfied that I have taken the liberty of the idea he has placed before the House this afternoon to draw attention to what is on our doorsteps. I want to now refer in concrete terms to some items he mentioned briefly or tangentially. They are the following: Unless specific statutes exist in Canada permitting persons to make donations of their bodies or of tissues or organs from them, there is, as we all recognize, the possibility that liability could be imposed upon physicians and institutions acting in accordance with the wishes of a donor made before death.

A lot of Canadians do not seem to realize that once they die their corpses are not their own property. They do not seem to appreciate that once death is legally pronounced, the corpse, the remains of the individual, becomes the legal property of the next of kin. Because of this, although you or I or the next person may very much want certain transactions to take place concerning, for example, funeral rites, concerning burial, concerning cremation, concerning removal of cornea or tissues of any kind, if we have failed to convince that person who is our legal next of kin of the merits of our recommendations or desires, then we have no right to assume that our wishes will be followed out.

For this reason doctors have been traditionally, and I think rightly so, reluctant to charge in, in the sense where angels fear to treat because this is a very emotional context. Anyone has any experience with such a routine procedure as post mortems is aware of how much difficulty most doctors have in simply obtaining permission to perform post mortems, even without taking portions of the corpse or body to be used for perhaps good reasons, in the sense of being laced in another human being or used for medical research. Therefore, it would seem to me it becomes extremely important that we have legislation along the lines that the hon. member hopes to have, and that we should have it uniform. It seems important that we should have the agreement of all provinces and also agreement stretching across internatinal lines.

If we are going to pursue this subject with full information, it is important for the House to recognize that provision already exists in law, in the Canadian provinces and territories for donation of human tissue, and is of two distinct kinds. Newfoundland, Prince Edward Island and the Yukon have what are known as corneal transplants acts which relate only to the donation of eyes for use in improving or restoring sight. The Northwest Territories and all other provinces except Quebec have human tissue acts which permit donation of the entire body or of certain organs or tissues for medical education

and research, as well as for replacement and rehabilitation. This would be replacement of parts.

These acts are very much alike in content. The corneal transplant acts provide that a hospital administrator may authorize a qualified practitioner to transplant the corneas of a deceased person who dies in hospital if that person had requested such use in writing or made such request orally during his last illness, with two witnesses present. I would emphasize the words "in hospital" because it is quite a different situation if death should occur outside a hospital. If death occurs outside the hospital, and even if the deceased had made a request for donation of certain portions of his or her body, authorization for transplantation must be given by the relatives in a prescribed order of preference. In other words if we does not plan to die in a hospital it is not good enough to want to give your eyes or some other portions of your body away. You must convince the person or persons who will be your next of kin that you want to do this. And, Mr. Speaker, this is not as simple as might first appear. Traditionally if a husband dies, his wife is the next of kin, and vice versa. But there are circumstances in which a whole family will die, or in which a husband and wife will die together, and one has to go through the succeeding relatives to obtain permission for transplants.

I turn now to the other body of legislation. Here I speak of the human tissue acts. It may be worth pointing out that in this instance, as the hon. member for Algoma has made clear, health is the responsibility of the provinces and essentially we are talking about action required at the provincial level. The human tissue acts permit use of the entire body or of organs and tissues for rehabilitation, medical education and research. Again in this instance, if death occurs in a hospital the hospital administrator may authorize the use of the body in accordance with a written request of the deceased or in accordance with an oral request if made in the presence of two witnesses during the final illness. And again, if death occurs outside the hospital authorization must be given the relatives of the deceased in a set order of preference.

As we all know, Mr. Speaker, the hon. member for Algoma has a professional background in the field of medicine. He has proposed this afternoon the convening of a national ad hoc conference to encourage the enactment in all jurisdictions of uniform anatomical gift legislation and to consider the need for international agreements to facilitate the transfer of human tissues between Canada and other countries. As noted previously, tissue acts are already in existence in seven provinces and the Northwest Territories and they are generally uniform in content. This has not arisen by chance alone. Each year there is a conference of commissioners on uniformity of legislation in Canada. It is composed largely of deputy ministers and senior executives from departments of justice and attorney general departments both at the federal and provincial levels. The 1965 meeting of commissioners adopted and recommended for enactment a human tissue act. This was subsequently used as a model in seven provinces and the Northwest Territories.

I am very much in sympathy with one point in particular made by the hon. member for Algoma when he pointed out that although this model was before the provincial governments, many of them, I suppose under the pressure of multiple requirements in modern day government, seem to have taken no action and, worse yet, to have little interest in the matter.

• (4:30 p.m.)

Speaking as a Canadian and as a Member of the Parliament of Canada, I hope that provincial governments across our nation will rapidly take action in tnis field. At the most recent meeting of the Commission on Uniform Legislation, held in Charlottetown in September, 1970, the 1965 model act was revised, thus bringing it into line with more recent medical and scientific developments and the consequent acceleration of public interest in this field. For many years individuals have asked me in my professional capacity and otherwise how they may be assured that portions of their body, if not their entire bodies, could be used for some useful purposes after their demise. It has been difficult to advise people in this area because there has not been the complete and full legislation that there ought to be in it.

The revision made in 1970 in Charlottetown is, with minor changes, the same as the draft prepared in 1969-70 by an ad hoc committee of the Medico-Legal Society of Toronto. That society comes from no less a place than Toronto, the fair city that houses the provincial government of Ontario. That revision is almost identical with the new draft legislation which is being considered now in the province of Ontario. No doubt every member of this House who is from Ontario hopes that the Ontario government will take action on this. It is the result of more than two years of deliberation by doctors and lawyers both in government and in private practice who are concerned about the medico-legal aspects of tissue transplant. This revised act of the Conference of commissioners on uniform legislation is one of the most up-to-date of its kind to be found anywhere at present.

Thus, the present situation regarding uniform legislation is that all provinces and the territories have a model, the most recent of its kind, in their possession. Jurisdiction in this medico-legal area over-all is essentially provincial, as I think we all recognize. This topic was discussed at a meeting of health ministers in November, 1970, which was not long ago, and the advisability of a national conference was then considered. However, no express wish was forthcoming from the provincial spheres. If this debate serves no other purpose, perhaps it will serve the purpose of encouraging the provincial governments to take action on that which is already before them.

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

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise briefly to say that I regard this as a good motion.

Mr. McBride: On a point of order, Mr. Speaker, may I say that I am very close to the end of my speech and I

hope the House might see its way clear to allow me a very brief extension of time. I would conclude rapidly.

The Acting Speaker (Mr. Richard): Does the House agree?

Mr. Knowles (Winnipeg North Centre): We agree, provided there is no arrangement whereby the few minutes the hon. member talks and the few minutes somebody else will talk will result in the motion being talked out.

Some hon. Members: Agreed.

Mr. Deachman: Mr. Speaker, I would not wish us to enter into an agreement under which the rights of some members to speak would be based on what we do at the end of the private members' hour. I think every member has the right to decide for himself what he wants to do with respect to a bill.

The Acting Speaker (Mr. Richard): I agree with the hon. member for Vancouver Quadra (Mr. Deachman). I do not think we ought to look ahead to what may happen.

Mr. McBride: Mr. Speaker, I express my appreciation of the interest of others. I was saying just before my time had expired that there was no unanimity, and apparently no great anxiety was expressed by officials at the meeting in November, for the provinces to move ahead in this field. I think that was unfortunate. So for reasons given previously, although it might be said that there was no active support for this kind of motion, we should support it because it has apparently become obvious that the provinces need to be goaded or encouraged into action.

The international situation needs to be made uniform, because tourism is expanding all the time. Many, many people through accident, disease or bad luck are bound to die while they are in transit in countries other than their own and therefore the matters touched on in this motion become more and more important for those reasons as well. The motion has become especially important in view of the rapid developments which have led to the creation of life in test-tubes and to the sustaining of life in incubators. Those factors make the subject matter of this motion all the more urgent.

Another matter which might be discussed at a national conference is the suggestion that uniform legislation might recognize an individual's wishes in the disposal of his own body. I am criticizing the archaic concept which says that if one dies in a hospital one's wishes will be recognized, but if one dies outside a hospital one's wishes may not be recognized. The legal right relating to the disposition of one's body after death passes to the next of kin, and that must be recognized. There ought to be some method whereby a person's wishes, made known before death, are recognized. In my professional capacity I have run into this situation many times. Sometimes an individual requests that his body be disposed of in a certain manner, yet after death the next of kin say, "No, we do not want to follow that procedure". The corpse is in their hands and they say, "We will do it another way."

The motion being considered this afternoon is important and requires the attention of members on all sides of the House. It has been a pleasure to participate in this debate, Mr. Speaker.

The Acting Speaker (Mr. Richard): Order, please. I think it would be appropriate to suggest to hon. members that private members' hours are only one-hour "shots" and that hon. members might prepare their speeches, in accordance with the rules, to last 20 minutes. I would say that 15 minutes would be desirable rather than 20 for speeches during this hour.

Mr. Dinsdale: Agreed.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to amend your motion and reduce the time to ten minutes. I hope that all the talk of death of the last few minutes does not foretell the death of this motion, especially at the hands of its friends. It seems to me that this is a good motion. I cannot see anything in it that would embarrass the House or the government if it were to pass. I hope that it will not be subjected to death by talking out.

If I may speak for the entire opposition—if those on my right will give me carte blanche to do so, and I am sure I can do it for all the others—we welcome the opportunity this afternoon to go a second mile and to return good for evil, or whatever you want to call it. The mover of the motion, the hon. member for Algoma (Mr. Foster), is frequently the last speaker in private members' hour. He is almost an official "talker-outer". Let me tell him that we on the opposition side will not do that to his motion. We think it is a good one. I think that the appeal he made, that the law should at least catch up with medical science, is a good one. Mr. Speaker, I hope that you will have the opportunity of putting the question on this motion to the House and that it will be carried before five o'clock.

• (4:40 p.m.)

[*Translation*]

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, first of all, I should like to congratulate the former speakers for their contribution to the debate on so important a motion.

I should also like to congratulate my colleague, the hon. member for Algoma (Mr. Foster), for introducing a motion intended to arouse the awareness of all Canadians to the importance of having reserves of organs for future transplants in order to help those who might eventually need them to continue leading a more pleasant life.

Allow me also to thank my colleague from Lanark-Renfrew-Carleton (Mr. McBride) who, with his usual logic, gave us an extremely important lecture, from the legal point of view, and especially with regard to the difficulties that might stem from the suggestion of my friend from Algoma.

I would also like to congratulate my friend from Winnipeg North Centre (Mr. Knowles) who would not like to

see this motion condemned to death, as he so aptly put it. I know that, even though he has a very good heart, he would never consent to leave it for some future transplant because we need such a man as he in this House as we need all Canadians having some experience of public life.

I would also like to recall—my friend from Lanark-Renfrew-Carleton has pointed it out—that the matter comes under provincial jurisdiction, as does everything related to health. I attended the federal-provincial conference of health ministers, held last December 9, and the question of the motion of my hon. colleague from Algoma was brought up. After a brief discussion, the provincial ministers of health probably decided that, the area being so sensitive, it was probably useless to pursue the discussion.

At any rate, I would simply like to point out to the House that provincial ministers have been informed of the situation and that certain other matters which might result from it will certainly be discussed during future federal-provincial conferences, for he is right when he states that this is where these questions should be discussed since they are strictly provincial matters.

It is rather odd that this motion be introduced on the eve of what is known as "sweethearts' day", Saint Valentine's Day, and I am sure that tomorrow there will certainly be an exchange of hearts throughout Canada, which will perhaps not overjoy scientists, but those who are willing to open up their hearts. This is in the best interests of all Canadians.

Jean Rostand wrote a book entitled *Pensées d'un biologiste*. First, there are a few things I should like to say on the question of biology. Let me say them in English. They will be more readily understood. There are a few subtleties that cannot be easily translated. One may say that science has made men out of us without first having made us people worthy of the quality of human beings.

Another way of translating it into English would be: Science has made us Gods before we are even worthy of being men, which is, in my opinion, a very profound, thought-provoking sentence, considering the speedy progress of medical science in our times, which might well some day lead us to extinction.

As the hon. member for Algoma pointed out, that is why we should take action such as the motion advocates, precisely so that, in co-operation with the experts, we may restrain the present trend of scientific change.

I do not mean to say that science should be shoved into the background, but rather that it should be studied in co-operation with human beings who have lived and had experience either in the field of science or in some other field, in order that no action may be taken which might cut down the essence of human life.

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Mr. Speaker, after all is said and done, life is so very short that we must beware of curtailing it further since, apparently, in the present world everyone hopes for more recreation, less work and increasingly high salaries.

Therefore, it might be preferable, in the light of these remarks, to refrain from over-rapid progress.

[*English*]

For centuries man has been searching for a way to transplant body organs from one individual to another in cases where body parts have been destroyed or damaged by disease or injury. Since World War II great advances have been made in the transplantation of skin, bone, corneas, kidneys and, more recently, hearts. Many of the surgical questions surrounding transplantation were resolved by about 1950, some of the medical questions by the mid-fifties.

As this House is aware, the problems of transplanted organ rejection are being extensively studied in many major medical centres of the world. Human organ transplantation poses many difficult technical, ethical, moral and legal problems which concern not only the physicians but also lawyers, moralists, sociologists and, indeed, the community at large. It is unfortunate that the law has not co-operated with the medical profession to the extent necessary to obviate the legal aspects of organ transplant. Although in Canada court decisions are rare, it is nevertheless the fact that in some instances medical progress is still being held back by legal constraints.

I would like to review some of the difficult decisions which face the physician who is working in the field of organ transplant surgery. First, by whom is a donor pronounced dead? In the majority of cases a patient is pronounced dead by his own physician, the man who is responsible for his well-being, or by the physician who sees the patient in an emergency room. Under normal circumstances, when a dead body is found the death certificate is signed by the legally appointed physician who takes care of such duties. As the House is aware, occasions have arisen where the moment of death has been in dispute. This has happened in the case of moribund patients and the medically accepted time of death is when there is no longer evidence of brain action, as indicated by a flat or non-reactive encephalogram.

As Your Honour is aware, the time between the death of the donor and the removal of the organs for transplant purposes is critical. This applies particularly to anatomical parts such as kidneys and hearts, etc. On the other hand, bone and corneas can be stored in anatomical banks for a considerable period of time. There is also the problem of matching the anatomical donation with the blood type of the recipient, and no organ should be transplanted unless the A, B, O red cell blood groups match. Since anatomical organs cannot yet be stored for any length of time, and therefore cannot be pooled, recipients should be pooled in such numbers that when an organ of a certain blood group becomes available the proper recipient can be selected. A system such as this is already in

operation in the Netherlands and isolated examples of pooled recipients have been set up in various large cities.

• (4:50 p.m.)

I would like to return, Mr. Speaker, for a few moments to some of the moral and ethical problems which come to mind. One could ask, is it right that the hope of a patient for survival should be dependent on the expectation of death of others? Or, what are the ethics of a surgical team awaiting the death of one patient in order to save another? Or, what about the case where a healthy donor volunteers an organ such as a kidney to maintain the life of another? This latter example has occurred frequently with identical twins, usually associated with kidney malfunction. Another ethical question that is raise is, who should be selected as recipient for an anatomical donation? On what basis should such choice be made? To what extent should the medical profession choose between the risk incurred by the donor of the transplant and the value of the life of the recipient? To attempt to resolve such moral and ethical issues uniformly through legislation is almost impossible because the answers depend in many cases upon the individual's religious views, his attitude to the sanctity of the human body and his respect for the individual.

To return to some of the legal problems involved in human organ transplantation, in general these relate to live donors, cadavers, recipients, attending physicians and next of kin. I have already touched on some of the issues related to live donors. Is it legal to mutilate a healthy donor to the advantage of another person? Should the donor be allowed to consent to a serious operation upon himself for the benefit of another, especially if as a result of the removal of a donated organ the donor's health might be seriously impaired? I have already mentioned the difficulties associated with defining death. A problem associated with this definition is how long should life be maintained in a donor who has irrevocable damage to his brain? Or, for example, when does death occur if such a life is being maintained artificially?

Another issue could relate to the payment or indemnification of a donor for the donation of his organs. We are aware that blood donors may sell their blood. Should donors be allowed to sell their organs to needy recipients? Would such a sale be legal? And would the recipient pay income tax on such payment or should it be regarded as capital gain? Possibly we should consider the application of sales tax to such sales. Or, if the donation is a gift, should gift tax be paid? And finally, if a financial value is attached to useable organs from cadavers, should such items be included in the estate of the deceased?

As you can see, Mr. Speaker, there are many issues involved. Perhaps these could all be summarized by the question, does a dead body have human rights which are to be protected? The problems I have identified this evening illustrate that unless there are specific statutes permitting persons to make donations of their organs or their tissues, there is a strong possibility that liability could be imposed on the doctor or institution acting upon the wishes of the donor or even of the recipient.

You have already heard, Mr. Speaker, that many Canadian provinces and territories have laws governing donation of anatomical gifts or tissues and that these laws cover medical education, research, replacement and rehabilitation. You have also heard that the conference of commissioners on uniformity of legislation in Canada at their meeting in 1965 adopted and recommended for enactment the human tissues act, and that this act has been used as a model in seven provinces and the Northwest Territories. The Medico-Legal Society of Toronto has acted in an advisory role to the commissioners and their work by lawyers and doctors has been used as a model for uniform legislation.

The federal government is sympathetic to the problems associated with anatomical gifts, organ transplants, and is encouraged by the work of the Medico-Legal Society. By the same token, the fact that only seven provincial and territorial legislatures have enacted uniform legislation is disturbing. The federal government is prepared to respond to the request of the provincial governments at any time. As this House has already been informed, the question of the medico-legal aspects of organ transplants was raised at the federal-provincial conference late last year. At that time the need for such a conference was not affirmed by the provincial ministers of health. Possibly as a result of this debate provincial authorities will assume new interest in the question of uniform legislation. The Minister of National Health and Welfare (Mr. Munro) is always willing to respond to the consensus of provincial ministers of health in this respect.

With regard to the international aspects of the motion before the House, this is a question which has received international consideration through the World Health Organization. At this time, the European community is far ahead of the North American continent. There already exist in Europe organ exchange programs such as Euro Transplant between the Benelux countries and the federal republic of Germany, Euro Transplant Italia, Scandia Transplant between the Scandinavian countries, Euro Transplant West including France. On the North American continent there is a U.S. east coast system covering the central Atlantic coastal area and eastern United States. Los Angeles has a local system and also belongs to a more general United States system. The federal government would be willing to respond through the World Health Organization to the development of international protocols covering anatomical gifts and their transportation across international borders.

Mr. Knowles (Winnipeg North Centre): Question.

The Acting Speaker (Mr. Richard): I regret to interrupt the hon. member. His remarks were very interesting, very anatomical—

Mr. Knowles (Winnipeg North Centre): And killed the motion.

The Acting Speaker (Mr. Richard): —but I must point out that the hour for private members' business has now expired. Perhaps hon. members would permit me to make a few remarks since the hour has expired. I think it was appropriate that the four speakers who addressed the House on this very cold subject should have been two ministers, a doctor and a veterinarian. Now, if hon. members will allow me, I shall pass from the cold anatomy of the heart to the living heart and remind hon. members that Sunday the 14th—not Saturday the 13th—will be St.

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Valentine's Day, a day to tell our sweethearts that deep in our hearts we love them so dearly. To the ladies we say, "God bless you and thank you for everything." And to the patient members in the House, I wish you a happy and restful weekend.

Some hon. Members: Hear, hear!

At five o'clock the House adjourned, without question put, pursuant to Standing Order.

END OF VOLUME III